

# **Social Order**

**THE NEUROTIC CITY**  
**Andrew M. Greeley**

**September 1960**  
**40c**

## **CATHOLIC INTERRACIAL MOVEMENT**

**John J. O'Connor**

## **THE ECONOMIC REPUBLIC**

**Paul P. Harbrecht**

## **MORALS AND ECONOMIC LIFE**

**George G. Higgins**

**BOOKS • LETTERS • COMMENT**

**MONTHLY OF NATIONAL JESUIT SOCIAL SCIENCE CENTER**

# Social Order

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*Members of the Institute of Social Order:* Leo C. Brown, *Director*, Edward Duff, *Editor of SOCIAL ORDER*, David C. Bayne, Joseph M. Becker, Paul P. Harbrecht, John L. Thomas.

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## ... just a few things

LATE AUGUST has become the time when Catholic social action movements convene, often with disconcerting simultaneity. The North American Liturgical Week meets in Pittsburgh, August 22-28, the National Catholic Social Action Conference meets at Niagara University, August 26-29, the National Catholic Conference for Interracial Justice meets at St. Louis, August 25-29.

The members foregather to exchange views on the movements that have caught up their energies and to share experiences in the common cause. SOCIAL ORDER is delighted to salute the first convention of the NCCIJ by offering its readers the background story on the Catholic Interracial Movement in the United States by Professor O'Connor, President of the new organization.

In recent years our September issue has featured the theme of the NCSAC meeting. The meeting at Niagara University is facing up to the perennial challenge to Catholic social thought: the need of adapting assessments as social institutions change, the need to make the perspective of the natural law meaningful for current problems. As Pius XI observed in *Quadragesimo Anno*: "No more than any other institution of social life, the regime of property is not absolutely immutable as history itself testifies." Accordingly, Father Paul Harbrecht, S.J., will analyze for the NCSAC audience "The Changing Nature of Ownership" while Father Gerard Dion of Laval University, Quebec, will examine the sensitive topic, "Property and Authority in the Business Enterprise." Mr. Dennis

Clark, whose book occasioned in part Father Greeley's causerie in this issue, will discuss "Changing Property Rights in the Modern City."

It is with genuine timidity (by reason of his lack of practical experience on the firing line) that the editor calls attention, in the context of these social action meetings, to a moving editorial in the April *Bulletin Social des Industriels*, the organ of the Belgian Catholic businessmen's association. Written by the organization's chaplain, Père G. Dubois, S.J., the editorial raises the question of whether intense devotion to a movement, no matter how worthy, may not lead us to forget our fellow human beings:

We know an hundred people ready to sacrifice their lives to defend a "Cause" who have never looked at their neighbor. By that I mean a look that is a welcome and a gift, a look which is a communication of the spirit. Such people go about in the world propagating their idea, often a very generous one, without noticing their wives, their children, their associates, in short the living world surrounding them. If others do not jostle them, they ignore them. They never regard others as other persons but in terms of (that telling phrase "in terms of") the idea which preoccupies them.

Père Dubois warns us against appeals to empty slogans as facile as they are vain. Proposing to defend "Society" or "Free Enterprise" or "Human Rights" or even "The Church," we can empty all personalist content from these grand formulas. Only a steady dependence on Christ, the Belgian Jesuit notes, can save "the Cause" from being a snare. The reality is the Person, Jesus Christ, and his brothers, our neighbors.

E.D., S.J.

ONLY A FEW MILES from Washington, the nation's capital and supposed showcase of democracy, an amusement park was recently picketed because it refused to admit Negroes. During my entire lifetime the Glen Echo Amusement Park has never admitted Negroes. A *Washington Post* reader promptly sent the editor of this influential independent newspaper a copy of Langston Hughes' *Merry-Go-Round*:

Where is the Jim Crow section  
On this Merry-Go-Round,  
Mister, cause I want to ride.  
Down South where I come from  
White and colored  
Can't sit side by side  
Down South on the train.  
Down South on the train  
There's a Jim Crow car.  
On the bus we're put in the back—  
But there ain't no back  
To a merry-go-round:  
Where's the horse for a kid that's  
black?

But Langston Hughes' little colored boy could not even get into Glen Echo to inquire about riding on the merry-go-round. No Negro child in the Greater Washington Area of two million people has ever been inside Glen Echo to ride on the merry-go-round or the thrilling roller coaster.

One Negro mother told me that Glen Echo is carrying on an advertising program on the radio. Her nine-year-old son heard one of these blatant commercials and pleaded with his mother to take him out to Glen Echo.

"What do you tell a child that's black?" she asked me.

The amusement park incident, like the lunch counter incidents, is highly

"What do you

## Catholic

significant because it symbolizes a new era in race relations in the United States.

In a great many communities, in the past, the dominant white leadership was accustomed to deal with Dr. Charlie, a sane, sensible, conservative man it regarded as the highly qualified and acceptable spokesman for the Negro group. No rabble-rousing nonsense about Dr. Charlie! He got his orders and relayed them to the Negro group. He also relayed complaints from the Negro group to the other world of the white group. But today Dr. Charlie isn't receiving very many white or Negro telephone calls. Impatient young Negroes, seeking social integration in this century, have taken the play away from Dr. Charlie. This sudden turn of events has produced temporary confusion in both the white and Negro groups. New lines of communication are being established within the Negro group which, generally speaking, is somewhat hesitant about accepting the untried youthful leadership. It will require a considerably longer period of time for any sort of amicable dialogue to occur between the white power structure and the new and inexperienced young Negro leadership which is vigorously exploiting the so-



tell a child that's black?"

# Interracial Movement

JOHN J. O'CONNOR

cial action techniques of passive resistance and nonviolence.

The amusement park incident is revealing and prophetic in still another respect. Once the picketing started, the white residents of a nearby suburban development volunteered their services on the picket line. When the project was two days old, the young Negro leadership and the white suburban development leadership, acting independently, turned to the Catholic Interracial Council of the Archdiocese of Washington for guidance and counsel.

During the past 26 years the Catholic interracial movement has accumulated a rich fund of experience in the field of social action on the municipal, state, national and international levels. This is due, in large measure, to a firm, consistent and unwavering loyalty and dedication to Catholic moral principles, to the prudent supervision and generous encouragement of many members of the hierarchy, and to a practical, persevering and time-tested program of education and constructive action. Clergy and laity in 45 communities across the nation are rendering invaluable service to the Church, the nation and the entire global human family. They are providing answers to the most frequent question the Councils are re-

ceiving today from many Catholic and non-Catholic individuals and organizations: "What should we do next?"

The first Catholic Interracial Council was founded in New York City on Pentecost Sunday in the year 1934. Today there are 45 Councils in Northern and Southern cities across the country, including a very new Council in Little Rock, Ark. About a dozen additional Councils are in various stages of formation. The difficult pioneering work has been accomplished. Many Catholic organizations, particularly youth groups, are now calling for advice in program planning and there is a far wider public acceptance of integration in many parts of the country than ever before in our national history. The Councils are responding valiantly to this new and almost overwhelming challenge. They are moving, quietly and swiftly, in the direction of greater unity, greater cooperation, greater efficiency, greater usefulness. They are consolidating their strength in a new federation, the National Catholic Conference for Interracial Justice, which will hold its first convention in St. Louis, August 25-28.

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*Professor O'Connor of Georgetown is President of the NCCIJ.*

## Education in race relations

Council programs vary widely from city to city. Practically all Councils carry on some kind of general educational program in race relations by means of literature preparation and distribution, forums, lectures, institutes and workshops in the field of human relations and intergroup understanding, Communion breakfasts, and radio and TV programs. Special programs have been developed for high school and college students, for seminarians, for teachers, for changing neighborhoods, for school integration, for hospitals.

One Council set up a graduate training fellowship program in race relations at a Catholic university. Another Council produced a color movie called "Good Neighbors." Basic research has been done, and is continuing, in such critical fields as housing and urban renewal. Several Councils are providing scholarships for Negroes in Catholic schools and colleges. Quite a few Councils have urged the adoption of municipal and state legislation to insure fair employment practices and access to public accommodations for all citizens, regardless of race, creed or nationality.

## Varied Programs

Many Councils publicly condemned the bombing of Jewish synagogues and other barbarous manifestations of anti-Semitism. The Catholic Interracial Council of Washington is currently combatting the vicious influence of George Lincoln Rockwell's American Nazi Party. Various Councils have approved in principle the interracial lunch-counter sit-in demonstrations in many Southern cities. They have pub-

licly deplored the racial intolerance of the South African government and sent congratulatory cablegrams to His Eminence, Cardinal Laurian Rugambwa, Bishop of Rutabo, Tanganyika, Africa's first native Prince of the Church in modern times.



Council leaders are serving on the National Religious Advisory Council of the President's Committee on Government Contracts. The New York City Council maintains a highly professional news-and-photo service on interracial matters for many newspapers in Africa and the Orient. In recent years Council leaders have had the great joy and privilege of meeting outstanding African political leaders when they tour the United States under State Department auspices. Hundreds of dedicated priests and laymen are actively engaged on a dozen fronts in urging equality of opportunity for all citizens and in directing public attention to the many lingering, annoying and harassing forms and vestiges of discrimination that are still being employed against minority groups, North and South, solely because of race, creed or national origin.

One major criticism of the Councils is that they do not devote enough time to publicity, public relations and public education. In defense of the Coun-

cils it may be stated that, forced to make a choice between a dynamic interracial apostolate and taking time out for the preparation of publicity handouts on their accomplishments, they decided, almost unanimously, to concentrate all available time and energy on the ever increasing volume of work in the apostolate.

Even if not widely publicized, the unflagging work of the Councils is recognized, respected and admired by alert, concerned citizens of both races everywhere. This testimonial of affection and confidence accounts in no small measure for the exhausting burden of work which many Councils are cheerfully carrying today. More and more people are becoming aware of the fact that Councils are not groups of pietistic, verbalizing, theoretical-minded do-gooders but small groups of expert social scientists in the field of practical and effective Christian social action.

The Councils are volunteer membership organizations functioning on a diocesan basis under their respective bishops. In the past they were entirely autonomous and the relationship between the Councils was very vague and tenuous. During the first quarter of a century Council leaders recognized the value and importance of tailoring their programs to fit the specific needs of their communities. They were not very much concerned about what other Councils were doing, what trends were developing in other parts of the country or what new social action techniques and research findings were available for their use.

A few years ago a desire was expressed for a national meeting of Coun-

cil representatives in order to exchange ideas, develop more effective programs, cooperate in the organization of new Councils, and intensify the impact of the Catholic interracial movement on the national scene. Such a dream was realized for the first time in Chicago in August 1958. Four hundred people from 40 states attended the four-day sessions. Four foundations contributed \$13,500 to help defray expenses. This historic conference became a great affirmation of faith and a critical examination of the national conscience on the race issue. Father John LaFarge, S.J., veteran leader of the movement, called for the creation of 50 new Councils. In a strong upsurge of courage and forward-looking optimism, the delegates voted into existence an interim committee to explore the possibility of some form of closer association among the various Councils.

### **Future Plans**

There was general agreement that the Catholic interracial movement should intensify its efforts, strengthen the operating efficiency of the Councils and create more efficient communication between the Councils. No funds were available to the interim committee but there was confidence that some foundation would underwrite the necessary expenses. Although this hope was never realized, the work of the committee went on.

The interim committee met for the second time in New York in January, 1959. Members faced realistically the key problem of federating existing Councils which had developed strong habits of independence and were very sensitive about their autonomy. Twenty committee members passed a resolution

directing a small executive committee to explore the practical possibility of the formation of a federation. While there would be some obvious national functions, the federation would be designed to assist the Councils in their needs and in extending their influence.

The executive committee reported back to the full interim committee in St. Louis in June 1959. The entire committee unanimously adopted the recommendations and proudly established the National Catholic Conference for Interracial Justice.

The national organization took upon itself the following tasks:

1. To enunciate the philosophy of the Catholic interracial movement and to relate this philosophy to decisive issues of the day.

2. To encourage the Councils to develop courageous programs, to address their activities to their civic community as well as to their fellow Catholics, and to cooperate with all responsible community organizations in constructive work on problems of human relations.

3. To serve as a clearing house and channel of communication for all existing Councils, and thus to assist mutually in growth and development.

4. To make literature, program aids, technical skills and consultation available to local Councils.

5. To encourage and assist in the creation of new Catholic Interracial Councils.

6. To represent the cause of interracial justice at the national and international meetings of other Catholic organizations, as well as other organizations in the field of human relations and civil rights.

7. To establish relationships and

share our experience of years with organizations and movements in other parts of the world, and to participate in endeavors to secure world-wide interracial justice.

8. To plan for annual or biannual national meetings of Council representatives.

To fulfill these tasks the committee called for the election of officers and the hiring of a staff; it also planned to request contributions from Catholic Interracial Councils to help underwrite the expense of a national office.



When I returned to Washington after serving on the interim committee, I told Archbishop Patrick A. O'Boyle what had been done. His Excellency had integrated the Catholic school system in his archdiocese prior to public school integration. All other institutions in the archdiocese had been quietly integrated. He was immediately interested in the new development and at once gave the priceless benefit of his wide-ranging administrative and organizational experience. It was due to his sympathetic guidance that the fledgling Conference became affiliated with the National Catholic Welfare Conference; moreover, he was entirely responsible for the official approval which the Conference received at the annual meeting of the hierarchy in Washington. When I remarked to him that the Conference had no funds, Archbishop O'Boyle made the first

contribution to the Conference treasury. Conference officers and all the Councils will always be deeply grateful to Archbishop O'Boyle for his kindly and practical encouragement at a critical time.

The officers and directors of the National Catholic Conference for Interracial Justice met again in St. Louis in November 1959, adopted a constitution, and arranged to become legally incorporated under the state laws of Illinois and to secure Federal tax exemption. Preliminary plans were made for the first national convention in St. Louis, August 25-28, 1960.

Thus far the Conference has not received substantial aid from any foundation. But the largest and most active Councils in New York, Chicago and St. Louis immediately rallied to Conference support with generous donations and smaller Councils are sending in whatever they can spare from their meager funds. Interested bishops and prominent laymen are likewise contributing to the Conference. The St. Louis Council is making an all-out effort to guarantee that the August convention will be a modest but memorable success.

The convention will be pretty largely a family affair, an indication of the Catholic interracial movement's new self-image. Today it is no longer a matter of appealing to outside experts to help us in our deliberations. It is rather a somewhat belated recognition of Catholic talent and competence and the present determination to utilize and benefit from this ability and experience to the utmost. If other organizations send representatives to the convention, they will be most welcome. Generally speaking, however, they will attend the

convention, not to impart knowledge, but to receive it.

There will be public sessions on such topics as education, employment and housing. There will be a special session devoted to the interracial problem in the South. But the principal feature of this year's convention will be a series of clinics on the problems of running a Catholic Interracial Council, on CIC public relations, on CIC fund raising, on how to start a Catholic Interracial Council, on youth education and school programs, and on adult education programs.

Council delegates will be called upon to make a number of important decisions regarding the future work of the Conference. There is no doubt that long-range financial arrangements can be made which will make it possible to organize and properly staff a national headquarters office. The Catholic interracial movement has come of age in the United States and is about to enter a new decade of fruitful service in the cause of interracial justice.

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FOR SEVERAL YEARS now, as part of a study of the American workers' pension trusts, I have been interviewing bankers, corporation executives, insurance men, labor leaders, economists and lawyers. At some point in conversations with these men, I have made it a point to ask, "Who owns the pension trusts?" In most cases that question is met with a blank stare. And it's not surprising, either, that the question seems irrelevant to many of these people. The pensions trusts are large and complicated institutions involving great quantities of capital and they are doing their job of providing old age assistance to retired employees very well. What difference does it make who owns them?

But there are a fairly large number of very practical questions that hinge upon the question of who owns the pension funds. Suppose, for example, an employee should go to court to demand an accounting from the General Motors pension fund, claiming that the management was so poor there wasn't going to be any pension when he retired? Or what is Ford to make of Walter Reuther's claim that the pension fund ought to be invested in the kind of housing Ford employees need? These questions and others, equally vital, depend upon the determination of what kind of property rights an employee has in his pension fund. Yet the question has not been answered.

Indeed, by any answer I can come up with, whether as a lawyer or as a philosopher, no one owns the pension funds. I am satisfied that this is true, but I cannot get over the anomaly of a block of capital right in the middle of capitalistic America amounting to

"Ours is a society,  
of production is no

# The

\$46 billion, and increasing at a rate of well over \$4 billion a year, that no one owns. To be sure, these funds are the focus of countless contracts, claims, and other legal relationships—but no one can really be said to own them. How is this possible under the traditional logic of the capitalist system?

The observation of a phenomenon like this is similar to the experience of a scientist in his laboratory recording for the first time an electron jumping out of its orbit. It shouldn't happen. The fact that it does leads the observer to some earnest speculation. Is it merely a sport, an isolated quirk of the system, or does this phenomenon demand that we rethink our explanation of the entire system? The pension trusts are not an isolated phenomenon. In many important respects they are quite similar to other major economic institutions: the insurance companies, the huge personal trust departments of banks (having total assets of about \$50 billion), and the mutual funds.

It is a statistically verifiable fact that the financial institutions are more and more tending to dominate our economic life. The pension trusts alone are buying more shares of stock every year than any other group of investors, including all individual purchasers. The financial

SOCIAL ORDER



then, in which private ownership of the means longer the dominant characteristic."

# Economic Republic

PAUL P. HARBRECHT, S.J.

institutions, taken together, now own close to a third of all the shares of common stocks outstanding. Furthermore, their share of all stocks is steadily increasing. It is most significant, too, that there is an extremely high degree of concentration among these financial institutions; in each area a few giants are doing the lion's share of the business. Over 98 per cent of the pension funds in all New York banks are in thirteen banks, and six or seven banks probably have over 90 per cent of this money. In the commercial banking business ten banks have over half of the total assets of the 50 largest banks. In life insurance ten companies have close to three quarters of the assets of the 50 largest companies.

Now I said that these institutions were similar to the pension trusts. The point of similarity lies in this, that they are all fiduciary institutions. This means that these institutions take other peoples' money and invest it for them. The effect this has on ownership is to place these corporations between the individuals in society and the productive property of society. In other words, the already tenuous ties of property ownership are even further attenuated. I say even further attenuated because the financial institutions are entering a

situation in which the productive corporation already stands between the individual and the things that produce wealth in our society. The result of the process is that we are passing from a society that has been characterized on its economic side by the institution of private property to a society whose organizing principle is not property but power.

But perhaps what I am saying will become clearer if we start from the beginning instead of the end of this evolutionary process. At one time, before the industrial revolution, the means of production in society were in the hands of individual owners. The smith owned his forge, the farmer his land, and the weaver owned his loom. With the industrial revolution came the need to gather larger amounts of capital than single individuals could supply and the modern corporation was born as a means of pooling the wealth of many individuals. It is important to remember that a corporation is a legal entity independent from the individuals who may control, operate or own it. For a time many corporations, even large ones, were dominated by the interests

*Father Harbrecht is author of the book, Pension Funds and Economic Power.*

of single families through their stockholdings, but more and more the typical large corporation escaped from the control of its stockholders. Corporations subject to family control, like Ford and duPont, are really evolutionary survivals, atypical of the species. The type of the giant corporations that dominate our economy is the corporation in which the shares of stock are so numerous and so widely dispersed that the stockholders have no effective control. The result of this stage in the evolutionary process of capitalism is that the control of productive property is effectively separated from ownership. Need the point be argued that the productive wealth of this country is almost completely owned by the large corporations, or that therefore productive wealth is not controlled by individual stockholders either singly or as a group, but by the corporate managers?

### **Nation of employees**

But see where this phase of economic evolution has taken us. We are not a nation of owners now, we are a nation of employees. Over 87 per cent of us work for others, the great majority for corporations. (Over 72 per cent of the nation's nongovernmental payroll was from corporations in 1956.) It is true that the average man may own more property now than ever before, but ours is an industrial society, a society that is geared to production, and it is through his position in the productive system that a man gains the power and status that material wealth can confer.

But there emerges only a partial picture of property in our society if we fail to include the role of the financial institutions with which the discussion began. These institutions now

represent upwards of 100 million Americans, and since their capital assets are nearly all in the form of corporate securities, well over half of the American people have become sharers in the fruits of capitalism. Compare this with the small fraction of the population who shared in the income producing effect of capital ownership (less than 5 per cent) through shareholdings before the rise of the financial institutions. Such a comparison justifies the conclusion that we are well on the way to socializing the fruits of capitalism.

Does this mean that we have, as so many have said, a "people's capitalism"? By no means. A capitalist is one who by voluntarily risking the wealth that he owns earns an increase in his wealth. Your modern stockholder, on the other hand, has merely bought the right to a share in the profits of a corporation. Typically, he does not truly risk his own money in the enterprise. Rather, it is the corporation (and here we are speaking of the large corporation) which engages in some risk of its own resources by embarking on a new enterprise. But the bets are covered by the corporation itself, and the investor is guaranteed a reasonable return. Nor can we say that the stockholder in a modern giant corporation really "owns" any property. To ask who owns General Motors is even more absurd than to ask, "Who owns the pension trusts." The stockholder really owns little more than a claim on income. He is not a true owner because he has no control over productive wealth, and one whose money is invested for him by a financial institution is even less a capitalist than a stockholder.

*Ours is a society, then, in which private ownership of the means of pro-*

*duction is no longer the dominant characteristic.* This is a point worth emphasizing because it implies that our economic system is no longer what we have traditionally thought it to be. We have come to think that we live in a capitalistic, free enterprise society based solidly on private ownership. It is basic to our thinking about modern society that there is no middle ground between the capitalistic system of private ownership and socialism or government ownership. Yet all the while we have been evolving a third and new system.

I would describe our emerging system this way:

1. Our economy, though it has within it a degree of private ownership, is characterized by public ownership—public ownership but not state ownership.
2. The dominant economic initiative in this society is not exercised by private owners but by a managerial class acting in the names of corporations.
3. There is a high degree of planning which profoundly affects the entire course of the economy and this planning is carried out by corporate management.

In proof of the three points, a short description of the functioning of the modern giant corporations is in order. First, by far the greater part, and indeed the most strategic part, of our productive wealth is owned by these corporations. Each of these corporations is in turn "owned," with rare exceptions, by hundreds of thousands of stockholders. Anyone with the price of a share of stock can buy into one

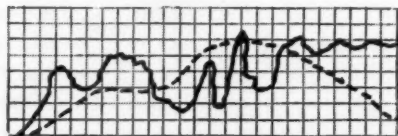
of these corporations and shares are traded back and forth like currency. Furthermore, as a third of the shares of these large corporations are now "owned" by financial institutions who represent others, we may number those who have a degree of ownership in our industrial corporations in the millions. This I would call public and not private ownership.



Second, the dominant economic initiative in this society comes from corporate managers because the so-called owners, the stockholders, are so numerous that the atomized power they have cannot be mobilized to affect corporate policy. Now our corporate managers do exercise initiative but since they act in the name of, and for publicly owned corporations, can they be said to exercise private initiative? Furthermore, because of the scope of their operations, our corporate managers are increasingly forced to act in the interest of the public welfare. (Thus, a large steel producer might feel obliged to resist a request for an increase in wages for no less a reason than its inflationary effect on the economy as a whole.) Finally, the corporate giants so dominate the economy that the decisions of their managers set the pace at which we travel and determine our direction.

Third, the modern corporation has become such an integral part of our way of life and operates on such a vast

scale that it is forced to plan far into the future. Its commitments are so vast and the resources it must allocate to fulfill those commitments are so large that planning is a vital necessity. The automobile, oil, or electric company simply will not be able to meet the needs of 1970 unless they have been foreseen and provided for during the previous decade. The question of whether or not we shall have a planned economy is therefore passé. The only question properly before us is, who shall do the planning and how shall we judge whether or not they have done the job well?



It is worth noting here how the traditional logic of property as applied to the corporation is strained to the breaking point. In making a commitment of resources to the future, something that is obviously proper and necessary, in whose interests are the corporate managers acting? Many of the present stockholders in the corporation may not, indeed, probably will not be in the corporation when present plans materialize. Yet reserves are gathered now and present gains are sacrificed to future prospects. But for whom? Presumably the stockholders would desire to realize all the gains possible within their lifetime. But few shareholders intend to identify their interests that closely with any corporation. About 40 per cent of all stockholders buy for a short term gain (less than six months). Yet it would be disastrous for any major corporation seriously to consult these interests. It is really a public of

the future that occupies a large share of the modern manager's attention, a public that is not yet identified with the corporation.

In the light of these considerations I would conclude that, if we have not already gotten there, we are approaching a stage where productive wealth in our society is not privately but publicly owned and where productive wealth is exploited not for private but for public purposes. And it bears repetition, that this is neither capitalism nor socialism but a third system which, for lack of a better name, may be called the paraproprietal society.

If the preceding analysis is correct, then we have changed the function of property in our society. We have gone from a system of private ownership to one of public ownership of the means of production. But in changing the function of property we have done much more than change the economic side of our lives. Any radical change in the disposition of its property affects the very structure of a society.

This proposition should be fairly obvious, but an explanation of the function of property in society will show how profoundly we have changed our social structure.

### Function of property

It is an observable phenomenon that power follows property. Thus, if I control the use of a field in an agricultural community, I have the power to hire laborers and to regulate their livelihood. But because of my power to affect its material welfare I also gain power and influence in the community in which I live. Thus, control over property gives power and influence that goes beyond the merely economic phases of the life of a community.

This example brings out another phase of the function of property in society. The power that follows property depends on what kind of property one owns. Thus, in an agricultural society ownership of agricultural property confers a position of great strategic importance in that society. The pertinent conclusion here is that in a society organized around industrial production, those who control industrial property hold similar positions of great power.

### **Property=power**

Now because the function of property is so important to any community it has always been thought necessary to regulate its use by law. Historically this regulation has always been present in any well organized society. The regulation has been minimal where ownership and control of property have been widely dispersed but has tended to increase as larger amounts of property began to come under centralized control. It is no accident that we now have antitrust laws, public utility regulation, food and drug laws, regulation of nearly every major industry. Thus I would take it to be a general principle, historically verifiable, that as property tends to coalesce under a centralized control it becomes subject to increasing public regulation.

This occurs for two reasons. First, it becomes necessary to control the economic power that vast property brings to its possessor. This is exemplified by our antitrust laws. Second, as large amounts of property become organized into single units the use of this property becomes more and more a matter of public concern. This is exemplified by our industry regulation. We may also observe that as control over property becomes more centralized it be-

comes easier to control it for social purposes. Thus in communist Russia with government ownership and the U. S. with great corporate concentrations of wealth it becomes possible to subject the economy to greater social control.

We have already observed that the base of ownership of our large modern corporations has become so broad that we are approaching public ownership. We arrived at this conclusion by tracing out the powers of modern owners over their corporations. Now, by tracing out the function of property in society, we are prepared for a reinforcing conclusion. Productive property is moving over into the public domain because it is becoming increasingly necessary to subject it to governmental regulation.

### **How much regulation?**

The justification for this conclusion becomes apparent when we ask the question, how far can we go with governmental regulation before property is no longer private? It is naive to say that we live in a private property system merely because private citizens receive income from industry. Even in a socialist system there has to be some means for distributing the wealth society produces. Obviously, if governmental regulation of industry continues to increase, at some point corporate managers will become agents of the state rather than the stewards of private interest.

From the analysis of the function of property in society as far as we have taken it, I would now draw the following conclusions:

1) Property is only truly private when it is held in relatively small parcels. This means that true ownership joined with control of the means of



production is widely dispersed in society.

2) Power follows property. Therefore, a private property system is a way of diffusing and spreading power throughout society. The principle of distribution is the allocation of property to individuals who own and control it.

3) When large amounts of productive wealth begin to coalesce in centers of control, property begins to lose its private character and becomes *public* in nature because the aggregate of property brings with it so much power that the power concentrate is affected with a public interest.

These propositions have an empirical basis. As proof of the last proposition let us consider the operation of the large modern corporation. The stockholders to whom management should be responsible are neither interested in, nor capable of, supervising the activities of the board of directors and company officers.

When the corporation's interests were closely identified with the interests of its stockholders we had a rather plain answer to the problem of the responsibility of corporate managers. Now, with a host of new demands and pressures for the corporations to meet, the annual profit record is clearly inadequate as a measure of performance. Even that cannot be effectively criticized by the shareholders because they are in no position to judge whether managers are holding too much in reserve or not enough, whether expansion and research are being adequately financed, etc.

But with the disappearance of the stockholder as the imposer of criteria for performance, the representatives of

the public have begun to take over that function, and the criteria of performance are becoming more and more public and less and less private. This result might be justified on the grounds that someone ought to be looking after the interests of the shareholders which they cannot themselves supervise. However, I think the real reason for the growing imposition of criteria of public benefit lies more in the nature of the large corporation. These corporations now operate on such a vast scale that their activities are matters of legitimate public concern.

If one accepts the truth of these observations about property as applied to the modern situation, surely some questions arise. Is this trend good or bad? Do we want it to continue? Is there anything we can do about it?

First of all, I think it is important to recognize the facts of the modern situation so that we will no longer delude ourselves into thinking that we live under the old capitalistic system of free enterprise, decentralized economic initiative and private property.



Nor should we forget that this system is doing much that is good. It has produced the highest standard of living mankind has ever known. It is succeeding in doing what an economy should do in distributing the wealth of a society widely, and to an increasing degree, equitably.



But it is extremely important that we take note of the trend at work here. We already have public ownership of the means of production and we are moving in the direction of statist control of the means of production. The logic of the situation is pushing us in this direction. The public cannot exercise control over our economic giants and so control is increasingly exercised by the only candidate in the field, government. Thus we seem to be caught in the dilemma of seeking a return to small property holdings or socialism. Is there, however, a third possibility?

### **Feudalism today**

If we attempt to locate the centers of power and influence over men in our society we find that we have a kind of feudalism existing alongside a powerful government. Our feudalism consists of the power centers, the large corporations and the labor unions in the economic sphere of life. I would advance the proposition here that these corporations and unions are the private custodians of public rights. They differ from the state in that their power is contractual in origin, based on contracts between private citizens and between citizens and the state. Thus they are private in the sense that they are not state owned or controlled. But they are public in that they are publicly owned and affected in their operations with a public interest. This is the *status quo* of some 500 large corporations and a few large labor unions. But the system is constantly in motion and the direction is toward greater and greater regulation by the state in an effort to make the corporations responsible to the public interest. It may be necessary, then, to adopt some artificial

device to preserve the *status quo* and attempt to arrest the absorption of the economy into a monolithic structure dominated by the state.

We might, for example, recognize constitutionally these "little republics" as Blackstone calls the corporations, and insure their autonomy and the independence of the economy against further encroachment by the state. The practical details of such an arrangement are hard to envision but the objective is clear: it is to seal off the economy from manipulation by the state.

What is at stake here is the proper assignment of powers in society. I would take it as a valid principle that power originates in and is limited by function. That is, one gains power by being able to do something and the proper limits of that power are defined by the function in which the power originates. Thus the lords of the economic domain have their power because they can perform a valuable function in the economic order. For them to undertake political operations is an invalid extension of their power. No less is it an improper extension of political power for state officials to undertake economic functions.

### **Paraproprietal society**

It is to this new alternative, an arrangement different from either small property holdings or socialism, that our energies and imagination must be turned in the years ahead. Leisure is growing, society is becoming more complex. The paraproprietal society is freeing us from economic want but it is placing a new burden upon us to choose and to work for the kind of society in which we want to live.

**A**WHILE BACK a mild controversy stirred in the Catholic press of this country on the real or alleged failure of American Catholic theologians to come to grips meaningfully with many of the more important problems of the day. The controversy started with a column in *The Commonwealth* entitled, "Wanted, Theologians,"<sup>1</sup> by John Cogley, an extremely provocative and thought-provoking commentator on American Catholic life and manners. Mr. Cogley complained that American theologians are missing the boat. Modern life, he said, is "full of examples" of theological theory lagging behind practice. "And this is so," he contended, "because the theologians so rarely venture into the muddy waters of contemporary conditions that most of their writings seem irrelevant."

Mr. Cogley specifically mentioned three subjects on which the theologians, in his opinion, are falling down on the job: Church-state relations, the morality of nuclear warfare, and business ethics. In discussing the last of these three subjects, he referred to a recent meeting of business and professional men who, one after another, "stated that they found the advice of theologians practically useless. For the moral problems they face do not conform to simple choices of good and evil but are enmeshed in moral ambiguity, and in such cases the theologians are usually tongue-tied."

"When I need moral guidance," one of those attending the meeting is quoted as having said, "the last place I would go for it is to the Church." Another said, "If I took the advice of the clergy, I would either be out of business in a month or be involved in twice as many

"... the principal responsibility general welfare by the wise

## Morals

moral perplexities as I started out with."

Mr. Cogley's criticism of the theologians—though slightly exaggerated, in my opinion—is well taken. It is not, however, particularly new or original. On the contrary, it is the perennial theme song of all certified Neibuhrrians; it is to be found also in the writings of a number of other contemporary authors who start from different theological premises than those of either Mr. Cogley or Professor Niebuhr. For example, D. L. Munby, an Anglican Scot, writes:

Christian social thinking has not been at home in the purely economic field. . . . If in the past Christians accepted too easily the perversions of a largely secular civilization that has departed from its Christian foundations, a large part of the most acute Christian thinking of today could more properly be criticized for failing to come to grips with the real problems, and for failing to appreciate the peculiar contributions that the modern world has made to the human story. . . . If experts who fail to see the wood for the trees prove dangerous guides, prophets who do not talk about a real situation produce mere emotional verbiage. . . .<sup>2</sup>

This, of course, is not the only, nor is it necessarily the most unnerving and disconcerting, kind of criticism that one encounters in writing on the general subject of "Religion and Morality in Business Administration." It is prob-

<sup>1</sup> May 22, 1959.

<sup>2</sup> *Christianity and Economic Problems*, St. Martin Press, New York, 1956, pp. 102-3.

facing labor and management, is this: to promote the and unselfish exercise of their enormous economic power."

# And Economic Life

GEORGE G. HIGGINS

ably more unnerving and more disconcerting—at least for a Catholic priest—to discover or rediscover that many of one's contemporaries question his premises even when they substantially agree with his conclusions in the field of social ethics. I am referring here again to the standard Niebuhrian criticism of Catholicism's allegedly naive and/or fanatical emphasis on the natural law. The following excerpt from one of Professor Niebuhr's many articles on this subject is a case in point. In a commentary on the late Pope Pius XII's Christmas Message of 1941, Niebuhr says:

While there is a remarkable balance in this Catholic statement, . . . its primary defect is derived from a general defect in all Catholic social theory. It is based upon the assumption that there are in two sources, the natural law of justice and in the Scriptural law of love, exact and precise definitions of every problem of justice. . . . Simple moralism, rather than moral cynicism, has brought us . . . close to disaster in the modern world. . . . We dare not disavow general standards of justice. But neither must we give ourselves to the illusion that they are either easily defined or simply realized. Some of our worst social evils are derived, not from the cynics, who acknowledge no standard but their own, but from the fanatics who acknowledge an absolute standard but fail to detect the corruption of self interest in their definition of the absolute.<sup>3</sup>

While I have no intention at this time of engaging in theological controversy, I should like to submit in passing that the Anglican Dr. Munby has handled this subject of natural law more accurately, less rhetorically and with better balance:

Natural law, in the sense in which we are using the term, . . . describes the pattern of human life, as God made it, and as He intends it to be, in relation to the proximate ends of temporal existence. . . . The pattern itself is revealed to us through the use of reason enlightened by divine revelation. . . . The Church has the duty of clearly enunciating the relationship between these secondary aims and the primary ends of human life, and of clarifying the main features of the pattern of human life as revealed in the Gospel. . . . The danger of the natural law approach is that it tempts Christians to dogmatize too widely about the structure of human nature . . . and to assert of man universally what is in fact merely the reflection of a particular historical epoch and its problems. This danger can be avoided, if we remember that the natural pattern of

<sup>3</sup> "The Pope's Christian Message," in *Essays in Applied Christianity*, Meridian Books, New York, 1959, pp. 213 ff.

*This article is adapted from a paper prepared originally for the Danforth Seminar on Religion and Morality at the Harvard Graduate School of Business Administration by Monsignor Higgins, Director, Social Action Department of the National Catholic Welfare Conference, Washington, D. C.*

human nature in relation to these secondary aims is neither given once for all to the Church as revealed truth in all its concrete bearing on practical problems, nor easily discoverable by reason without the distortion of human sin.<sup>4</sup>

As a final introductory note, I should like to call attention briefly to a third type of criticism which is sometimes directed at Catholic theologians, namely, their alleged overemphasis on the purely philosophical or natural law approach to the virtual exclusion or neglect of the social implications of revelation—or, to put it another way, their alleged tendency to put the natural law, civil law and revelation in separate, not to say completely segregated, compartments. Again, I shall try to illustrate this criticism by quoting briefly from one who has put it into cold print. Dr. James R. Brown was Executive Director of the Institute of Ethics and Politics at Wesleyan University when he declared: "The purely philosophical approach does not seem to furnish an escape from referring to theological principles in discussing problems of public policy." The Catholic's (allegedly) static conception of the natural law, he continues,

might be called the "layer" idea. It is as though there was a layer of moral law, complete and all-embracing, and then a layer of civil law and human actions, and above both and separate from them, an over-arching dome of divine law. The three are supposed to run parallel to each other with easy inter-communication and without friction under the guidance of reason. It is an approach to human action which presents a negative, a rather rigid, static idea of the moral law. The moral law, from this point of view, doesn't seem to inform our actions in given instances so much as it merely seems to limit them. . . .<sup>5</sup>

This third criticism, like the other two, is well taken, though, again, in my opinion, it is somewhat exaggerated and overly rigid in its analysis of the allegedly rigid Catholic approach to the natural law.

### Natural law approach

These introductory points are designed to make it clear at the outset that, while I shall be using the natural law approach in the body of my paper, I am not unmindful of the fact that this approach has been historically and is today susceptible to at least three distortions—namely, vagueness on the one hand or a sort of slide-rule, casuistic exactitude on the other and, finally, a failure in practice, though not, I am convinced, in theory, to relate the natural law to revelation and to the living dynamic force of divine grace. I also wanted to warn the reader in advance that I shall probably be guilty of all three of these offenses, in varying degrees, in the material that follows.

In writing about Catholic ethics and business practices, I am going to confine myself for the most part to certain secondary or even tertiary principles of the natural law on which, I am reasonably certain, there is widespread agreement in the ranks of Catholic, Protestant and Jewish students of social ethics. Indeed, such agreement on the fundamental moral bases of economic life took public form 13 years ago in a common statement, signed by representatives of our three great religious traditions, entitled *Pattern for Economic Justice, A Catholic, Jewish and Protestant Declaration*.<sup>6</sup> The agreed principles of the statement are eight in number and are admittedly just about as general as they can possibly be. I shall discuss only a few of them and, in the process,

<sup>4</sup> *Op. cit.*, pp. 30-32.

<sup>5</sup> "Theology and Public Policy Decisions," *SOCIAL ORDER*, 7 (October, 1957) p. 299.

<sup>6</sup> See *New York Times*, October 17, 1946.

shall try to bring them down to earth as realistically as possible in a short article.

First, however, let me note that the negative tone of some of my suggested applications of these principles should not be interpreted to mean that I am a sour or dyspeptic critic of the American economic system as such. On the contrary, while I hope and pray that American employers and management representatives will everlastingly continue to subject our economic system to brutally honest criticism, I am persuaded that, with all its faults, it is probably the best—i.e., the most ethical—economic system in the world today.

In this connection, I am pleased to note that a growing number of European observers and recent immigrants from Europe are belatedly beginning to give the devil his due. For present purposes I shall mention only four of those—two Europeans and two Americans of European origin—who have recently published books which are, if anything, excessively laudatory of our accomplishments in the application of ethical principles in the economic order: Jacques Maritain, Father Raymond Bruckberger, O.P., Dr. Mario Einaudi, and Dr. Massimo Salvadori.

Maritain says:

... a new social and economic regime is, in actual fact, developing in this country—a phenomenon which gives the lie to the forecast of Karl Marx, and which came about not by virtue of some kind of inner necessity in the evolution of capitalism which Marx had overlooked, but by virtue of the freedom and spirit of man, namely by virtue of the American mind and conscience, and of the American collective effort of imagination and creation.<sup>7</sup>

Similarly, Father Bruckberger writes: Now that I have studied America and

American society at first hand, I have come to realize that the great revolution of modern times, the only one that has essentially changed the forms of society, was carried out, not by Russia, but by America, without fanfare, quietly, patiently, and laboriously, as a field is ploughed, furrow by furrow.<sup>8</sup>

Dr. Einaudi testifies:

What we have seen in the United States has been the systematic and inventive search for solutions to the defects of industrial mass democracy, a search intended to realize the ideals of community without collectivism, the ideal of freedom without anarchy.<sup>9</sup>

And, finally, Dr. Salvadori maintains that:

The people's capitalism which is evolving from traditional capitalism in the United States . . . (a) is different from other types of capitalism, past and present, and (b) strengthens the institutions through which the aspiration toward liberty becomes the practice of free citizens.<sup>10</sup>

These words are music to the ears of Americans and, while we should not permit them to lull us into conceit or complacency, we would be less than human if we didn't enjoy playing them back now and then as an antidote to the exclusively negative criticism so frequently directed at us, not only by Continental Marxists, but by other Europeans who really ought to know better. To be perfectly honest with ourselves, however, if we are going to make a hi fi record of the complimentary things which are belatedly being said about us by at least a minority of Europeans, we ought to include on the opposite side of the platter a sampling of the more negative warnings which these same friendly authors have sounded for our benefit. Here are two exam-

<sup>8</sup> *Image of America*, Viking, New York, 1959, p. 256.

<sup>9</sup> *The Roosevelt Revolution*, Harcourt Brace, New York, 1959, p. 360.

<sup>10</sup> *The Economics of Freedom*, Doubleday, Garden City, N. Y., 1959, p. xxi.

<sup>7</sup> *Reflections on America*, Scribner, New York, 1958, p. 114.



ples of what I am referring to. Maritain, in the book from which I have already quoted, says that

... in this country ... the average and official vocabulary conveys the idea that America has accepted the challenge of Communism in the very terms of Communist propaganda itself: Communism *versus* Capitalism, America being the stronghold of Capitalism. This is a great misfortune ... [for] nobody is ready to die for Capitalism in Asia, Africa or Europe.<sup>11</sup>

Similarly Father Bruckberger in his *Image of America* says

I hold it very much against you [Americans] that you insist upon using the word "capitalism" to define your economic and industrial structure. You who are the greatest travelers in the world should ask yourselves what people outside of America think of the word capitalism. To them, capitalism stands for imperialism, for the exploitation of the poor by the rich, for colonialism. It is a dishonored word, and one that breeds terror. You may well pay a visit to the moon, but you will never rehabilitate the word capitalism in the eyes of the world.<sup>12</sup>

Closing that long parentheses, I note that the eight principles referred to are:

1. *The moral law must govern economic life.*

The establishment of a just economic order depends upon the practical and detailed recognition of the fact that every phase of man's economic life is subject to the sovereignty of God and to the moral precepts which have their origin in God. Economic problems are admittedly technical problems, but they are also theological and ethical. Ultimately they depend for their solution upon our concept of the nature of man—his origin and his destiny, his rights and his duties, his relationship to God and to his fellow-men.

2. *The material resources of life are*

*entrusted to man by God for the benefit of all.*

The universe belongs to God. Its resources are given in trust to man to be administered for the welfare of all and not for the exclusive benefit of the few. It follows, therefore, that the right to private property is limited by moral obligations and is subject to social restrictions for the common good. Certain types of property, because of their importance to the community, ought properly to be under state or other forms of public ownership. But in general the aim of economic life should be the widest possible diffusion of productive and consumptive property among the great masses of the people. Cooperatives, both of producers and consumers, can effectively assist in promoting this end.

3. *The moral purpose of economic life is social justice.*

God's law demands that each individual use his property, his gifts and his powers honestly for the welfare of himself and his family and of the community and all its parts.

The purposes of economic life, therefore, are:

- a. To develop natural resources and human skills for the benefit of mankind.
- b. To distribute God's gifts equitably.
- c. To provide useful employment for everyone according to his abilities and needs under conditions that are in accord with his human dignity as a child of God. Stable and full employment cannot be achieved without a proper balance among prices, profits, wages and incomes generally. Wages must be maintained at that level which will most effectively contribute to full employment. In many cases this will mean that wages

<sup>11</sup>*Op. cit.*, p. 116.

<sup>12</sup>*Op. cit.*, p. 266.



must be raised above a standard family living wage, which is only the minimum requirement of justice. The common good further requires that special efforts be made to raise the earnings of sub-standard income groups, not only in justice to them, but also in the interest of continuous employment.

- d. To develop human personality through cooperation with others in work and ownership.

4. *The profit motive must be subordinated to the moral law.*

To make the profit motive the guiding principle in economic life is to violate the order which God Himself has established. The profit motive, while useful within reasonable limits, must be subordinated to the motive of the service of human needs and the dictates of social justice.

5. *The common good necessitates the organization of men into free associations of their own choosing.*

Since man is by nature a social being, he cannot fulfill God's purpose in economic life except by organizing with his fellow men for the common pursuit of the general welfare. Therefore, organization is both legitimate and necessary, since man, acting as an individual, is all but powerless to bring economic life into subjection to God's law. It is the duty of the free organizations of workers, farmers, employers, and professional people to govern themselves democratically and to assume their full responsibility for the ethical conduct of their own industry or profession and for the economic welfare of the community and all its parts. It is also their moral duty to admit to their membership all qualified persons without regard to race, creed, color, or national origin.

6 *Organized cooperation of the*

*functional economic groups among themselves and with the government must be substituted for the rule of (unregulated) competition.*

The function of these free organizations must be extended beyond the traditional limits of collective bargaining for self-protection into an organized system of cooperation for the common good. It is therefore the duty of the state and of society to protect and to encourage the organization of men according to their function in economic life.

### **Democratic partnership**

Economic life is meant to be an organized and democratic partnership for the general welfare rather than a competitive struggle for individual or group advantage. Accordingly, the industries, agriculture and the professions must voluntarily enter into an organized system of cooperation among themselves and with the government to establish a rational and a moral economic order. The only alternatives to this are competitive economic individualism, private monopoly or excessive governmental intervention, all of which are unacceptable under the moral law.

7. *It is the duty of the state to intervene in economic life whenever necessary to protect the rights of individuals and groups and to aid in the advancement of the general economic welfare.*

Government, as representative of the whole community, has an obligation to enact legislation and to do whatever else is necessary for the protection of individuals and groups for the advancement of the general economic welfare. The amount of government action on federal, state and local levels will be determined by the extent to which the common good is not being achieved by the efforts of the functional economic

groups. As far as possible, however, these functional groups should be encouraged to participate responsibly in the formulation of governmental programs and in their administration. But the government, while performing through various types of agencies those functions which it alone can perform, has as its chief responsibility the encouragement of a system in which the major economic decisions will be carried out by the organized cooperation of the functional economic groups with the assistance and encouragement of the government, but free from its domination.

8. *International economic life is likewise subject to the moral law.*

Organized international economic collaboration of groups and national governments to assist all states to provide an adequate standard of living for their citizens must replace the present economic monopoly and exploitation of natural resources by privileged groups and states.

As I have already indicated, I am going to discuss only a few of these principles.

### **Ethics for management**

Let us start with the first. Frankly, if I may good-naturedly turn the tables on those who enjoy criticizing the vagueness of some theologians and the slide-rule casuistry of others, I must say that I think the time has come for American management to start drawing up its codes of ethics, with the advice and counsel of the theologians, to be sure, but without waiting for the theologians to lead them into the church by the hand. In this connection, perhaps the reader will be interested in a brief summary of an exchange of correspondence I have had on this subject with an

official spokesman for an important employers' organization.

I had written a column praising the AFL-CIO for cleaning house at its 1957 convention and had rather mildly criticized the National Association of Manufacturers for its failure to do likewise at its own convention in New York City. For this I was courteously challenged in a personal letter written by a member of the NAM staff, who can remain anonymous.

The gist of this letter is contained in the following excerpt:

The plain fact is that there is already plenty of legal and other authority to enforce honest business and corporate practice. The adoption of ethical practice codes by NAM and comparable organizations would be merely grandstand gestures. Such codes are already inherent in the policies and practices of such organizations—and criminal activity can be left to duly constituted authority to deal with under the numerous laws already on the books to prevent corruption in business.

I tried to point out, in reply to this argument, that my correspondent's definition of ethical practices was too restricted. The text of my letter reads in part as follows: "While I hold no special brief for the AFL-CIO and while I am fully conscious of its many faults and imperfections, I am still persuaded, even after reading your letter, that the Federation has done a better job than comparable organizations have done in self regulation and self-discipline. You say, for example, that the ethical practices of the officials of those firms which belong to the NAM are already sufficiently well policed. That may be true with regard to their financial practices, but it seems to me that the NAM could perform a valuable service by facing up realistically to the problem symbolized by the name of Mr. Shefferman and to similar problems in the field of labor-

management relations which, to the best of my knowledge, are not adequately covered by legal regulations at the present time.



"Another example that comes to mind immediately is the use which some companies are making of race hatred to discourage or to thwart the establishment of *bona fide* trade unions. You are undoubtedly aware of the fact that this is a growing problem in some sections of the South. I don't mean to be critical of the NAM when I suggest that this is the sort of problem which the Association ought to try to eliminate by the process of self-regulation and self-discipline. Incidentally I am sincerely hoping that the AFL-CIO will also extend the process of self-regulation and self-discipline into this area of racial prejudice and that, if necessary, it will expel those of its affiliates which refuse to come to terms."

The need for codes of management or business ethics is being urged by others. Dr. Benjamin Selekmán of Harvard, for example, writes:

Undoubtedly, the business community . . . must give serious thought as to how to formulate an acceptable moral code and enforce it. But the difficulties are great. For, as long as entry to business is free, as it must be in a democratic society, and as long as no one has to obtain a license to practice industrial management, it will be difficult to develop and enforce codes of ethical practice.

The real problem is how to develop codes and philosophies which will become

so acceptable as a matter of *wisdom* that the individual who is guilty of violating them more or less becomes an outcast. To this end, perhaps there should be standing committees in the various trades that would publicly condemn those businesses and corporations guilty of questionable practices, just as the AFL-CIO has done publicly in the case of trade unions found guilty of corrupt practices.<sup>13</sup>

Before leaving this matter of ethical codes, I should merely like to add that, in my opinion, the so-called case method of studying business ethics, while it is extremely useful in many ways, needs to be supplemented by or, more accurately, firmly grounded on an intensive study of theology and metaphysics. The case method, in and of itself, will not tell us much about "the nature of man—his origin and his destiny, his rights and his duties, his relationship to God and his fellow-man." The theologians and philosophers can lead businessmen to the wellsprings of human wisdom, but they cannot force them to drink. What I am saying, in effect, is that a little more emphasis on speculative theology and philosophy—and on the love and the worship of God for His own sake—might conceivably contribute more to the drafting of a code of business ethics than would an exclusively practical emphasis on immediate ethical problems in the business world. In this connection, I cannot refrain from quoting Maritain, this time from the new translation of his master work entitled *The Degrees of Knowledge*. "Old Aristotle said," Maritain reminds us,

that metaphysics is useless. . . . However nothing is more necessary to man than this uselessness. What we need is not truths that serve us but a truth we may serve. For that truth is the food of the spirit. And, by the better part of ourselves, we are spirit. Useless metaphysics

<sup>13</sup>A *Moral Philosophy for Management*, McGraw-Hill, New York, 1959, pp. 111-2.

puts order—not any sort of police order, but the order that has sprung from eternity—in the speculative and practical intellect. It gives back to man his balance and his motion, which, as is well known, means to gravitate, head first, to the midst of the stars, while he hangs from the earth by his two legs. Throughout the whole extent of being, metaphysics reveals to him authentic values and their hierarchy. It provides a centre for his ethics. It binds together in justice the whole universe of his knowledge by guaranteeing the material limits, harmony and subordination of the different sciences. And that is more important to the human being than the most luxuriant proliferation of the mathematics of phenomena. Indeed what does it profit to gain the whole world and lose the integrity of reason.<sup>14</sup>

Under the combined rubric of principles 1. and 3., I would call attention, in passing, to an important question of moral and spiritual values which is raised by Professor Galbraith in his *The Affluent Society*. Galbraith asks whether we are morally justified, at this stage in our national history, in making production the be-all and end-all of economic life. There is no doubt in his mind that we have universally done so. "On the importance of production," he says, "there is no difference between Republican and Democrat, right or left, white or colored, Catholic or Protestant."

### Overriding emphasis

This universal preoccupation with production might have made sense, he says, at a time when greater production was sorely needed to provide the masses of our people with the sheer necessities of life. Today, on the other hand, he insists, it is dangerous to place so much stress on production as an end in itself. It tends, he says, to create a false sense of values in American society, to put

a premium on creature comforts at the expense of the spiritual and cultural side of life.

Professor Galbraith seems to be an unusually good-natured man by temperament, but he comes close to losing his patience with those of his fellow economists who have developed a high-powered economic theory to defend or rationalize this overriding emphasis on production. Increased output today, he says, "satisfies the craving for more elegant automobiles, more exotic food, more erotic clothing, more elaborate entertaining—indeed for the entire range of sensuous . . . and lethal desires."



Worse than that, it deliberately stimulates these desires by means of high powered advertising and other devices. The widely accepted economic theory "which defends these desires and hence the production that supplies them . . ." is, Dr. Galbraith insists, "illogical . . . and in degree even dangerous."

I am not at all sure that I fully agree with Professor Galbraith's alternative to this "illogical and even dangerous" economic theory. But for the present that's pretty much beside the point. The important point is that he has brought to the fore the subject of spiritual and cultural values which too many economists are inclined to disregard or, even worse, to dismiss rather summarily as being of little or no importance.

Next, a word about principle 5,

<sup>14</sup>Scribner, New York, 1959, p. 4.

"The common good necessitates the organization of man into free associations of their own choosing." In my opinion, unless and until the letter and the spirit of this principle are more universally and more sincerely implemented in American economic life, we cannot hope to make much progress in the implementation of the other principles. Again let me approach this subject by relating a personal experience. In 1958, at its annual Conference in Geneva, Switzerland, the International Labor Organization authorized a special investigation of freedom of association for workers in various countries affiliated with the ILO. The government of the United States, represented at the Geneva Conference by Secretary of Labor James P. Mitchell, coupled our enthusiastic support of this resolution with a formal invitation to the ILO to start the proposed investigation in the United States.

This invitation was accepted, and shortly thereafter the ILO sent a four-man investigating team to this country for a period of several months. I was privileged to confer for a period of several hours on two different occasions with the members of this team. On both occasions the question was raised as to whether American employers, by and large, are in favor of unions or whether they would prefer to go back to the open shop and are hopefully looking forward to the day when they can do so with impunity.

### **Unions here to stay**

In reply to this question, I expressed the opinion that the majority of the employers associated with big business have long since decided—some more reluctantly than others—that, for better or for worse, unions are here to stay. I added, however, that unfortunately many employers in small or medium-

sized companies or industries, particularly in the South, are still adamantly opposed to unions and are hoping against hope that they can permanently avoid dealing with them.

### **Minority opposed**

The record will show also, I pointed out, that some of the more backward employers in the latter category are not averse at times to using illegal means to stave off the organization of their workers. By way of anticipating objections to the latter allegation I should like to call attention to an extremely significant address delivered last May 23rd by Boyd Leedom, chairman of the National Labor Relations Board, before the Florida Bar in Miami Beach, Florida.

"I am truly distressed with the picture I see," Mr. Leedom said.

While it is the official position of management to support the concept of collective bargaining by employees, great segments of employers, as evidenced by case after case coming before us involving union elections in the business and industrial plants of the country, take every legal step possible—and many employers overreach legality—to thwart their employees' effort to organize even when the union involved is a respectable, decent one.

And some employers harbor the thought, I am sure, that there is no such thing as a decent union unless it might be one dominated by their own company.

Mr. Leedom, by the way, cannot by the wildest stretch of the imagination be dismissed as a blind apologist for labor or a prejudiced critic of management.<sup>15</sup>

Like Mr. Leedom, who is a true "Conservative" in the best sense of the word, I have no ulterior motive in cri-

<sup>15</sup>For an echo of Mr. Leedom's indictment of American management, see the timely report in the July 6, 1958 issue of *The New Republic* on the difficulties still being encountered to organize the unorganized.



ticizing anti-union employers, nor do I wish to leave the impression that everything is hunky dory in the labor movement. I merely wish to emphasize, as Mr. Leedom does so effectively, that the right of workers to bargain collectively is an essential ingredient of American democracy and that "no American should recklessly or surreptitiously attack any known ingredient of our system, for the part attacked may be the key to such success as we have attained."

### **Bilateral operation**

This is not to say that organized labor represents the "good guys" and management the "bad guys" in the American economy. Such invidious distinctions are utterly reprehensible. The truth is, as Professor Selekmán points out, "Modern industry is a combined operation for management and labor. It is arrogant for either group to assume it has a key to superior wisdom and morality."

Union officials, Professor Selekmán adds, should and for the most do realize that they have neither the right nor the technical knowledge to tell employers how to run their business. But by the same token, he says, business executives "may as well face the fact that they will never again enjoy the opportunity for unilateral decision making. That day is gone forever."

Thirdly, a word about principle 6, "Organized cooperation of the functional economic groups among themselves and with the government must be substituted for the rule of competition." I must say, in all frankness, that the general attitude of American business with regard to this principle is largely negative and, more often than not, highly emotional to boot. Yet the realistic application of this principle cannot be postponed indefinitely.

The President of the United States has appealed to labor and management to solve the problem of inflation on their own initiative. He called upon the two groups to coordinate their economic decisions in the field of wages, prices and profits and to relate these decisions to the needs of the economy as a whole, with a view to stabilizing the cost of living.

This appeal for self-discipline on the part of labor and management and for voluntary cooperation between the two groups was probably doomed in advance to be relatively ineffective for the reason that there are no industry-wide organizations or industry-wide councils (to say nothing of a national economic council) through which labor and management can jointly carry out the President's recommendations. In the absence of such industry-wide organizations or industry-wide councils, the two groups, even with the best intentions, are more or less incapable of cooperating with one another effectively in the interest of the general welfare.



The result is that, to a certain extent, they both have a tendency to wash their hands of any direct responsibility for the problem of inflation. With notable exceptions, they are inclined to drop the problem in the lap of the government. In other words, they seem to expect the government, by means of monetary and fiscal policy, to correct the imbalances which are at least partially caused by



their own uncoordinated decisions in the field of wages, prices and profits.

This tendency to minimize the role of private organizations and to exaggerate the role of the government in preventing or curbing inflation is not confined exclusively to the ranks of labor and management. It is also rather common in the ranks of professional economists. One economist bluntly asserted, for example, in a recent public statement that "It is not the job of private citizens, in their market place capacities, to be concerned with the effects of their economic decisions on inflation." Rather, he concluded, "the responsibility for inflation control lies with the monetary and fiscal authorities" — *i.e.*, with the government.

### **Dangerous fallacy**

This is a dangerous fallacy, for it rationalizes and makes a virtue out of irresponsibility on the part of private citizens and their economic organizations and greatly exaggerates the role of the government in economic life. To say this is not to imply, of course, that labor and management can solve the problem of inflation solely on their own initiative and without the assistance of the government. The government's role is extremely important but it should not be overemphasized. In the recent words of another distinguished but more enlightened economist, who served as first Chairman of the Council of Economic Advisers, it is not a "philosophy of despair" to accept the proposition that Washington alone cannot solve the problem of inflation. An adequate solution, he said, "requires that we ourselves tackle the problem at its source in the voluntary wage-cost-price-investment-credit relations of the enterprise market."

This is a valid conclusion but obviously it is easier for an economist to put it into words than it is for labor and management to put it into practice. Nevertheless, there is no reason to throw up our hands in despair or to settle complacently for the status quo. The important thing is to keep moving in the right direction by gradually developing better methods of collective bargaining and labor-management cooperation on specific issues or problems. The phenomenon of automation, which was analyzed in considerable detail by the late Pope Pius XII, is a pertinent case in point. Automation is fraught with beneficent possibilities which cannot be fully realized and with complicated problems which cannot be adequately solved without the greatest possible degree of labor-management cooperation.

Surely, this is an added reason for hoping and fervently praying that the current ethical crisis in the labor movement will run its course as rapidly as possible. Inevitably, and unfortunately, this crisis is distracting labor and management by its very sensationalism. It is using up time and energy which ought to be applied as soon as possible to the solution of inflation and other complicated problems which are of mutual interest and concern to the two parties and to the nation as a whole.



Finally, I would return again to the question of how we can narrow the gap between theory and practice in the field of business ethics. Obviously, there is no easy answer to this question but,

surely, the first step is an exchange of informed thinking. To quote again from Dr. Selekman's excellent book, "It is an exhilarating experience to see men engaged in the materialistic world of the market . . . so deeply involved in the moral issues of their work-a-day world." This sort of experience is good for business men but, as Mr. Cogley reminds us, it is also good for the theologians. Mr. Cogley observes:

Perhaps theology will not occupy the place it deserves in our society until men of the world and men of the Church really start talking to each other, with no holds barred. Theology, like all disciplines, needs criticism in order to survive. If its only critics are its own custodians, there is little to hope for beyond the present lag.

Let us have more and more cooperation, then, between theologians and businessmen wherever it can be arranged.



The number of problems which theologians and businessmen can fruitfully discuss in their cooperative workshops is almost without limit. Here, in conclusion, are a few examples listed in a public address by Secretary of Labor, James P. Mitchell:

Will the worker who performs the same task, day after day, as part of a gigantic organization, often controlled by people he never knows or sees, be able to maintain his strength as an individual with all that that implies in terms of principles, convictions, hope- and ambitions?

Will our people, if conditioned to regimentation both in the factory and at home through mass media of canned communi-

cation, become uncritical victims of any propagandist who happens to gain control of the airways?

Will managers consider a worker's personality as a matter for their concern as well as his material welfare and company profit?

Will organizations of workers continue to protect the individual worker in his dignity and pride from becoming only part of a mass, about whom negotiations are made at contract time?

Will the future conduct of our economy be illuminated by justice and individual dignity, so that each man finds full satisfaction in his daily task? Will the American worker preserve his identity as an individual of dignity? Or will we allow technology to change our country so that we lose sight of every goal except those which are material.

It would be easy to list a number of other problems which call for discussion from the point of view of theology and ethics. In the final analysis, however, the biggest problem, the principal responsibility facing labor and management, is this: to promote the general welfare by the wise and unselfish exercise of their enormous economic power. They will not be able to fulfill this or any of their other responsibilities unless they acknowledge as creatures their dependence upon Almighty God and their need to appeal humbly to Him in prayer. In closing, therefore, it is recommended that they pray every day of their lives as Solomon prayed at the altar of Gabaon. When the Lord appeared to the king in a dream and told him to choose whatever gift he wanted, Solomon answered:

Lord, God, Thou hast bidden this servant of Thine reign where his father reigned; but Lord, what am I? No better than a little child that has no skill to find its way back and forth. And here am I, Thy servant, lost among the thousands of the people Thou hast chosen, a people whose numbers are beyond all count and reckon-

ing. Be this, then, Thy gift to Thy servant, a heart quick to learn, so that I may be able to judge Thy people's disputes and discern between good and ill. How else should a man sit in judgment over such a people as this, great as Thy people is great?



Solomon was a king, but his power and his influence were no greater than that which God has entrusted to the leaders of labor and management in the modern world. They are called upon under our form of government and in conjunction with government to sit in judgment every day over the economic destiny of the nation. May they humbly acknowledge, in the spirit of Solomon, that they, too, are "no better than a little child, that has no skill to find his way back and forth," that they, too, have need, above everything else, of "a heart quick to learn so that they may be able to judge their people's disputes." If they ask for this gift with the humility of a Solomon, they can confidently hope to receive the same reply. They can expect the Lord to say to them as He did to Solomon:

For this request of thine . . . thou shalt be rewarded. Thou didst not ask for a long life, or riches, or vengeance upon thy enemies, but for wisdom to administer justice. The prayer is granted; hereby I grant thee a heart full of wisdom and discernment, beyond all that went before thee or shall come after thee.

May this priceless favor, "the wisdom to administer justice," be granted abundantly to all those who are charged with the heavy responsibility of establishing social justice in the industrial life of our country.

SEPTEMBER, 1960

## An International Symposium

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# THE NEUROTIC CITY

Andrew M. Greeley •

*Father Greeley is the author of The Church and the Suburbs published recently by Sheed & Ward.*

**M**R. DOOLEY described it perfectly: "I've been up to the top of the very highest building in town, Hinnissey, an' I wasn't anny nearer Hivin thin if I was on the street. The stars was as far away as iver. And down beneath is a lot of us runnin' an' leppin' an' jumpin' about, pushin' each other over, haulin' little sthrrips iv iron to pile up in little buildin's called skyscrapers . . . workin' day an' night to make a masheen that'll carry us from one jack brabbit colony to another an' yellin' 'Progress! Progress!'"

It seems to be just about unanimous that cities are unpleasant places to live. Two new books<sup>1</sup> one by Professor Maurice R. Stein, the other by Dennis Clark, each starting from a vastly dissimilar perspective, can, if read together on a reasonably grim Sunday afternoon, give one the impression that the destruction of the human personality by modern urban industrialism is almost complete. The prospect is enough to make any well adjusted and sensible man reach for his bottle of tranquilizers.

Professor Maurice R. Stein has attempted to evolve a theory of community in America by a comparative

study of the various community surveys made in the last four decades from Robert E. Park to William H. Whyte. Since he intends an essay in sociological theory, social criticism would seem to be the farthest thing from his purpose. Yet even his title indicates that he does not intend his work to be totally value free. Indeed one must number Professor Stein among those who agree with C. Wright Mills that the sociological imagination must go beyond the elaboration of data and the abstraction of descriptive hypotheses. Professor Stein's social criticism may be hidden but it is nonetheless real.

It is only on the third last page of the book that the Professor gets around to defining community for us. His definition is worth waiting for:

It rests upon the assumption that human communities exist to provide their members with full opportunities for personal development through social experimentation. This experimentation presupposes sufficient openness in personal identity so that an integral personal study gradually evolves and sufficient dramatic perspective so that alien styles espoused by others be appreciated without weakening one's own commitments.

In other words the community exists to create a climate in which the person may develop his full potentialities. The previous 335 pages of Professor Stein's book are little more than a catalogue of how modern communities are failing

<sup>1</sup> THE ECLIPSE OF COMMUNITY. Princeton University Press, 354 pp. \$6; CITIES IN CRISIS. A Christian Response. Sheed & Ward. 138 pp. \$3.50.

to provide such a climate and are in fact turning their members into neurotics.

The process seems to have two poles. On the one hand, individuals become increasingly dependent upon centralized authorities and agencies in all areas of life. On the other, personal loyalties decrease their range with the successive weakening of national ties, regional ties, community ties, neighborhood ties, family ties and, finally, ties to a coherent image of one's self. These polar processes of heightened functional dependence and diminished loyalties appear in most sociological diagnoses of our time. However, we have only recently become aware of the full extent of human vulnerability and manipulability. We live in a period where the "existentialist" experience, the feeling of total "shipwreck" is no longer the exclusive prerogative of extraordinarily sensitive poets and philosophers. Instead it has become the last shared experience, touching everyone in the whole society although only a few are able to express it effectively.

### Three trends

Stein begins his study by tracing three main trends in American life—urbanization, industrialization, and bureaucratization—as they were discovered in the pioneer community studies of the 1920s and 1930s. The Lynds watched the effects of industrialization on Muncie, Indiana. Robert Park and his school laid the groundwork for urban sociology in their studies of organization and disorganization, particularly among the immigrant groups in Chicago, and Lloyd Warner observed the deterioration of social structure in Newburyport as the increasing control of absentee owners and their corporate bureaucracies eroded the position of the town's aristocracy. The later studies of Whyte on the slums, Ware on Bohemia and Dollard in the Deep South served to confirm the existence of these three trends and to record their development.

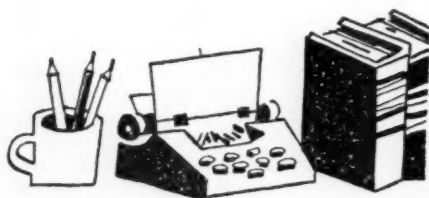
The studies of the Second World War, and especially the famed *American Soldier* series, showed the effects of these trends on the military establishment. Finally, suburbia demonstrates urbanization, industrialization and bureaucratization at their ultimate conclusion: "Suburbia is so fascinating just because it reveals the 'eclipse' of community at one of its darkest moments while still hinting at the light that may follow." Unfortunately Professor Stein does not describe exactly what this light may be. Quite the contrary, his observation that suburbs are the happy hunting ground of "Erich Fromm's 'Marketing Orientation', David Reisman's 'Other-Direction', Erik Erikson's 'Identity Defusion' and even possibly the thoroughly unsavory 'Authoritarian Personality'" is hardly likely to inspire our confidence in the future of community in suburbia. Small wonder that "sick" cartoonists and comedians are so popular in the suburbs. With the collapse of community, the person who depends upon community for his development collapses, too:

We watch the doomed craftsmen of Muncie, the doomed old families of Newburyport, and the doomed first generation immigrants go their respective ways toward oblivion. Struggle seems futile because the power and impersonality of the forces at work make them impregnable. Community ties become negotiable commodities as the mobile middle class climbs its way upward. Their highest value is "keeping up appearances" and their highest goal the acquisition of fashionable commodities. Working class acquiescence in this life program has not lagged behind. And all the communities in mass society look like so many minor variations on a single major theme . . . Large scale organization creates small scale personalities and meaningless jobs are filled by eager job holders.

There is nothing especially new in Stein's melancholy description of what



is happening to society but he has done a splendid job of summarizing and organizing the available sociological information on the processes which are destroying community. And he has accomplished this difficult task in a literary style which often brilliantly flashes through standard sociological jargon. Some of his parenthetical insights are fascinating. He suspects, for example, that Bohemias have gone out of existence because most of the forms of deviation (with the exception, to date, of homosexuality) championed by the Bohemias of the 1920s and 1930s have become legitimatized—and tamed—in suburbia. He further theorizes that one of the reasons for the decline in the use of Park's concept of marginality is that we have all—cheering thought!—become marginal. He adds with some justification that just as “delinquency” was a central concern of social science and social work for several decades, so now we are beginning an age when “mental health” will become the decisive focus of interest. He promises that a large number of studies being made in this area will soon be available. We await them with gloomy eagerness.



Stein's chief contribution, in the present writer's view, is his deft blending of anthropological and psychoanalytical insights into his sociological data. The precise effect of the eclipse of community on the individual is to be found in the destruction of his ego identity.

Stein sees this as a pathological condition which becomes critical in adolescence (and in this view he leans heavily on Erik Erikson and Harry Stack Sullivan):

Identity has to be confirmed by the environing community. However when the significant others, both peer group and adult, have begun to question their own identities, this doubt is reflected back on the adolescent with subsequent anxiety and communication breakdown. His own doubts are enough to manage without shouldering the burdens of his parents and contemporaries . . .

### Ego identity

Thus, modern urban teen agers are not able to link childhood to adult roles because they lack any proper opportunity to experiment with alternative self-conceptions during adolescence. Urban life punishes its young people rather than helping them as primitive society did through its rituals which served to

structure adolescent resolutions of developmental conflicts by helping the initiate to appreciate the shared aspects of his experiences without depriving him of a sense of individuality. Rather than repressing powerful infantile affections and conflicts, primitive ritual and mythology serve to raise these conflicts to awareness and facilitate their sublimation in adult roles.

Here, it would seem, Stein puts his finger on the cause of the listlessness which seems to affect so much of modern youth. From my own experience with suburban teen agers I can testify that, for all the attention and goods and services lavished on them, they are an unhappy and confused lot. In fact, it has often seemed to me astonishing that so many of them are able to sustain all the emotional misery that they must endure. It is no exaggeration to say that the suburban teen ager who enjoys more than fleeting moments of joy and

serenity is a rare person indeed. If these anxious young people are to be the shapers of American culture in the next generation, then America is doomed to become one vast asylum (and the few of us who retain some sort of sanity might well retreat to the institutions now reserved for those adjudged to be insane).

The breadth and depth of Professor Stein's remarkable synthesis can only be hinted at, even with extensive quotation. True social scientist that he is, he gives little indication, however, of what policies should be pursued in search of a solution to the problems he has described. Dennis Clark, on the contrary, would probably consider himself as a cross between a social philosopher and a social actionist; he has a very definite program which he insists must be followed if disaster is to be averted.

Clark ranges up and down the same field covered by Stein but, since he is writing from the experience of personal contact and concern with the pathology of urban disorganization and from the perspective of the traditional Christian and humanist philosophical tradition, he is able to portray the corruption of urbanism with far greater emotional impact. His description of the erosion of personality, citizenship, family life, and religion under the pressures of urban industrialism is of almost prophetic force. The most devastating section of *Cities in Crisis* is an account of the failure of the traditional parish to meet the needs of its people in big city living. Nor does he find Catholic social action doing very much to cope with the merging problems of the Big City.

Catholic Social Ideals remain theoretical and frequently the attitude of the Catholic body social and the formal Catholic institutional network in its re-

lation to city affairs is one of blandly independent self-concern and self-development, with occasional fits of agitated obstructionism.

Mr. Clark and Professor Stein both seem to be saying, more or less explicitly, that social reform and social action have been fighting little more than a delaying action in the last four decades. An occasional brilliant victory in the rear guard skirmishes has blinded us to the fact that human liberty and human dignity are in full retreat before the blind and irresponsible forces which modern urban civilization has shaped. The retreat is now being turned into a rout which can end only in the chaos of madness. In fact, some of our minor victories—such as the more equitable distribution of income brought about by the New Deal—have been turned against the human spirit as material affluence lowers taste, blights leisure, corrodes ideals, corrupts values, and contaminates the young. If the city was neurotic when it was poor, it becomes psychotic as it grows wealthy.



*Cities in Crisis* proposes a counter-attack. If I understood Clark correctly, he is calling for a reorganization of Catholic Social Action around the problems of urbanism. In a three point program he calls for intensive study of urban problems, a giant educational campaign and finally a new kind of urban social action, aimed at creating

a new society in a new kind of city. (Obviously all these projects would have to go on at more or less the same time.) It would seem to me that the first step will be a difficult one to take.

Christian social principles concerning such issues as the extent of government authority, social opportunity, cultural pluralism and subsidiary of social groups and functions will have to be re-appraised in the light of their application to urban conditions.

Indeed. But this will not be easy. Social Action has always been tempted to react strongly to proximate evils and forget about ultimate causes or goals. "Social Action is race, labor and housing," I was all too recently informed by a prominent Social Actionist. If I were to reply now, I think I would say, "No, it is urbanization, industrialization, and bureaucratization—and very shortly will also be mental health."



If we are perfectly honest with ourselves, I think we would be forced to admit that we have been so concerned with pathology that we have not thought about goals. There is no Christian philosophy of urban living. No popes have written encyclicals on the subject<sup>2</sup> and, beyond an occasional desire to forget about cities and return to the land, no Christian scholar—at least in this country—has given the subject serious thought. Cannot traditional Christianity offer something more than a baptized city planning? Do we

<sup>2</sup> Nor should they be expected to until experts in the field have done the spadework.

not have more to say than that we are against high-rise apartments and for integrated housing? Is there not more to be said about man's relation to the factory than that we are against right-to-work laws? Are there not Christian overtones to ideas like citizenship, responsibility, and community? Must we stand mute before the expanding metropolis? Are we forced to limit our suggestions to politely pointing out that it would be a much nicer place to live in if everyone practiced charity?

An aspect of urban living which has caught the attention of few Catholic scholars is the impact of the city on the perceptual processes of its people. In a stimulating pilot survey<sup>3</sup> Kevin Lynch of the Joint Center for Urban Studies (of Harvard and M.I.T.) has recently suggested that of major importance in improving city living is the problem of studying the mental image of the city which is held by the citizens, the ease with which its parts can be organized into a coherent pattern.

Indeed, a distinctive and legible environment not only offers security but also heightens the potential depth and intensity of human experience. Although life is far from impossible in the visual chaos of the modern city, the same daily action could take on a more vivid meaning if carried out in a more vivid setting. Potentially, the city is in itself the powerful symbol of a complex society. If visually well set forth, it can also have strong expressive meaning.

A clear image of one's urban environment, according to Lynch, can serve as an organizer of activity or belief, it can provide raw materials for symbols and collective memories of group communication and can give its possessor an important sense of emotional security by which he can estab-

<sup>3</sup> *THE IMAGE OF THE CITY*, Technology Press and Harvard University Press, Cambridge, Mass. vii, 194 pp. \$5.50

lish an harmonious relationship between himself and the outside world. Lynch's recognition of the city as a potential source of new symbolism (or reshaped old symbolism) is similar to the insight arrived at through a completely different method by Jaroslav Pelikan who sees the city as a challenge and an opportunity for the Catholic Liturgical Movement. City planning may be the field where the long heralded marriage between Liturgy and Social Action will at last occur. In any case both Liturgists and Social Actionists will find in Lynch's studies of Boston, Jersey City, and Los Angeles much material for fruitful meditation.

### Goals?

It was claimed in an article "Literature of the Counter Forces" in the March *SOCIAL ORDER* that the dynamics of local community organization have developed greatly in recent years and provide a wonderful technique for local self government. I have no disagreement with such an argument but I keep wondering about the goals and values these organizations are to seek. Efficient organization and wide community participation is not a goal in itself; it is merely a tool. In the absence of a philosophy of urban living, community organizations can turn into just one more complex of veto groups; they can become a sophisticated replacement for club waving and house burning. We cannot begin to answer the question as to where the city is going until we have at least a vague idea of where we want it to go.<sup>4</sup>

I am not suggesting, heaven save us, that labor schools should be abandoned or interracial councils should be closed down—I am quite certain Dennis Clark is not suggesting these things either.

What I am suggesting is that almost all the traditional forms of social action would benefit greatly from being viewed as a part of a struggle against the evils of modern industrial urbanism which find their most evident manifestation in the sprawling metropolis.



Then we might find ourselves saying that, while indeed it is a sin to deprive a man of decent housing because of the color of his skin, it is also a sin to degrade the good taste of man of every color. We might begin to realize that, while it is a terrible crime to refuse a man a living wage, it is an even worse crime to tolerate a condition of society where a great city slips from the control of its citizens and falls under the sway of impersonal and irresponsible forces which no man can master. Then, too, we might not succumb to the temptation to say that because the homes are new and the lawns are well manicured, suburbia has no need of social action. It would seem to me that around these questions social actionists might profitably engage in a great debate instead of devoting their forensic skills to the hotly agitated discussion of how bad American capitalism really is or whether the editor of *SOCIAL ORDER* might be a crypto-Republican.

<sup>4</sup> Even the Hyde Park-Kenwood project was more controversial than one might have gathered from the article in question. While I am not at all qualified to judge the controversy, the fact remains that some of the "powerful forces from outside the neighborhood" which object to parts of the program, were the Archdiocesan Conservation Council, the NAACP, and the CIO. In the absence of a clearly formed policy for urban growth even liberals of unquestioned good faith can find themselves in disagreement over fundamental issues.

# The Impact of Union Power

Harold W. Davey •

*The author is professor of economics at the Iowa State University, Ames, Iowa.*

This volume,<sup>1</sup> which may be described with considerable accuracy as the 1959 edition of *The Impact of the Union* (New York: Harcourt, Brace & Co., 1951), was conceived and is presented on the editorial assumption that "generalists" are better qualified than "specialists" to analyze and prescribe for monopolistic unionism in contemporary society. This is made crystal clear in a preface by Charles C. Abbott, Dean of the University of Virginia Graduate School of Business Administration, wherein Dean Abbott endorses the dictum that "War is too serious a business to be left to the soldiers."

Presumably, in the eyes of Dean Abbott and Editor Bradley, the "war" against allegedly excessive union power in the United States has become such a serious business that it cannot be left to the experts. Such knowledgeable "soldiers" as John Dunlop, George Hildebrand, Clark Kerr, Frank Pierson, Lloyd Reynolds, Arthur Ross and George Taylor—to name just a few who merit this designation in this reviewer's judgment—are conspicuous by their absence from the list of 16 contributors. The war is to be waged by generalists who are apparently purified by their comparative ignorance of, and non-involvement in, practical labor relations.

Fortunately, several of the authors do not fulfill Dean Abbott's bloodthirsty expectations. Thoughtful, non-polemical and stimulating essays are contributed by Gary S. Becker, J. M. Clark, William Fellner, H. Gregg Lewis, James W. McKie, John R. Meyer, G. Warren Nutter and Albert Rees. Thus, at least one half of this volume merits the serious attention of the reader, whether he belongs in the esteemed category of the generalists or is a member of the less exalted tribe of specialists in labor economics and labor relations.

It is difficult in a brief review to do justice to 16 essays, many of which bristle with sweeping value judgments and policy recommendations that invite challenge and dissent. Attention has therefore been concentrated on some of those essays which impressed this reviewer as rewarding or informative for one reason or another. The more polemical essays do not add materially to one's store of knowledge and have therefore been passed over in silence.

Editor Bradley has divided the contributions into two major sections for the reader's convenience. Part I includes eight papers not demanding special competence in techniques of economic analysis. Part II embraces six technical papers and two essays not directly related to the volume's main theme of the impact of union power.

<sup>1</sup> THE PUBLIC STAKE IN UNION POWER. Edited by Philip S. Bradley. University of Virginia Press. x, 382pp. \$7



In this reviewer's judgment, the informed reader will find little that is new or of particular value in Part I, with the exception of the papers by McKie and Rees. The latter deals in thoughtful fashion with the elements of a "limitist" policy toward labor unions designed to maintain workable competition in product markets and to restrain the development of undue concentration of power in the labor market. Rees treats two non-wage aspects of collective bargaining in mass production manufacturing industries: grievance settlement and seniority. He indicates the need for constructive modification of the present system of job security so that the industrial worker need not be too dependent on a particular employer, a particular union or a particular arbitrator. Rees points out that job protection through the market and through seniority rights and grievance procedures have conventionally been thought of as alternatives. He suggests that we begin thinking of ways in which the worker can have both institutional protection and market protection.

The more technical essays in Part II of this volume should prove of interest and value to the informed reader, regardless of his personal persuasions on policy questions. Lewis develops an interesting theoretical distinction between "competitive unionism" as one that produces no effect on real wages and "monopoly unionism" as one that does exert some effect on real wages, with union dues as a useful indicator of the relative real wage effects of unionism. Becker's essay on "Union Restrictions on Entry" is closely related to that of Lewis. Becker analyzes union techniques used to ration entry, argu-

ing that, if non-price rationing of entry is used, the union's power can be measured by the number of applicants per member and that if price rationing is used, by the admissions fee. Becker argues that this approach to the measurement of union power is superior to the usual measure, *i.e.*, the ratio of union wages to the wages that would exist in the union's absence.

Fellner's essay on "Demand Inflation, Cost Inflation, and Collective Bargaining" is an effort to give more analytical precision to the concepts involved in contrasting demand inflation and cost inflation. Although Fellner thinks that the conceptual distinction is useful, he stresses his belief that where it is pragmatically desirable to draw a distinction between demand and cost inflation it is essential to distinguish among cost inflations of differing slopes. He then explores for various types of cost inflation how high the degree of unemployment must be before the forces of cost inflation give way. Fellner argues that cost inflation of the so-called wage push variety has accelerating tendencies and requires more unemployment to be stopped.

Although he joins forces with several other authors in this volume in favoring extension of anti-trust legislation to unions, and eliminating industry-wide bargaining, Fellner shrinks from his own logic which would require reducing the unions by and large to company size. He would have to witness the failure of other approaches before considering union-splitting on such a major scale. Fellner expresses the hope that in the United States an average unemployment rate in the general neighborhood of 5 per cent, with some leeway for moderate cyclical swings

both ways, would reduce inflationary forces to relative insignificance.

Meyer describes his essay on "Wage, Price, and National Income Relationships in Light of Recent Findings on the Behavior of Large Business Corporations" as an effort "to integrate systematically recent findings on the behavior of large corporations into a simple national income model so as better to analyze the possible effects of wage changes on national income" (p. 257). Meyer concludes that a limited case can be made for the technical feasibility of the high-wage theory. He contends, however, that such factors as inter-union political rivalries in the United States make it highly unrealistic

to argue that wage variations can be properly timed or used in accordance with the needs of cyclical stabilization policy.

Clark's contribution, "Wage Theory in an Age of Organized Labor," summarizes his thinking as to what a modern theory of wages must include. Unlike some of his fellow contributors to this and to the earlier volume, *The Impact of the Union*, Clark continues to place his analysis in a framework that recognizes the necessity for collective bargaining to redress inequalities of power that would result in its absence, both as to wages and as to human rights on the job.

## Books



**THE ECONOMY, LIBERTY AND THE STATE.** By Calvin B. Hoover. Twentieth Century Fund, New York. v, 445 pp. \$5

The central concern of this book is with the central term in its title, "Liberty"—how liberty is affected by the growing control of the state over the economy.

This is the work of a mature scholar setting down his thoughts after a full lifetime of theory and practical experience. Professor Hoover has taught a course in Economic Systems at Duke University for more than 30 years, has served on a variety of governmental commissions; he has lived in many European countries, including the Soviet Union and its satellites.

The first half of his book deals with completely statized economies, the latter half with economies of "modified capitalism." The first four chapters are devoted to a lively history of the Soviet system and make abundantly clear that totalitarian control of an economy drastically limits liberty.

Another chapter analyses the Nazi experience and reaches the same conclusion.

Presumably the purpose of this part is to provide the horrible example, that is, to describe the kind of statized economy into which we might be drifting—or into which we might be suddenly precipitated, as Germany was in 1930. According to Hoover, the most likely single cause of such a denouement would be a failure to solve the problem of full-employment-without-inflation.

In three chapters the author describes the transformation of capitalism in the United States. After developing the thesis that the "laissez-faire capitalistic state afforded the most effective socio-political instrument which had ever been devised for protecting the population of a country against the coercive powers of a bureaucracy," he describes the changes wrought by the New Deal and further extended under the Truman and Eisenhower administrations whereby laissez-faire capitalism

was transformed into welfare capitalism.

In the new capitalism, the state plays a greatly enlarged role and is committed to: maintain full employment (typified by the Employment Act of 1946), lessen the inequality of incomes (typified by the income tax and by governmental action to strengthen labor's bargaining power), provide economic security for all (typified by the various social security programs), and control modern society's giant organizations, especially the corporation, the development of which had begun to change the nature of old-style, individualistic capitalism even before the New Deal.

The author's examination of Western European economies (two chapters) reveals a similar, even further developed, trend toward statization. In Sweden in 1956, for example, the government took 36 per cent of the total national income in taxes, while public investment amounted to 42 per cent of total gross investment.

Professor Hoover is of the opinion that the growth of state control over the economy has been a necessary development and that in the western democracies has not yet reached the critical point where it restricts essential personal liberties. He is concerned, however, with the future and is uncertain as to how much further capitalism can be "modified" without passing beyond the critical point.

Hoover seems to hold that the maintenance of liberty in the future will depend on our ability to contrive institutional arrangements whereby state power is balanced by other power centers. He offers little positive guidance for constructing these needed institutions. In the main, he seems to place his hope in some form of *condominium*, whereby representatives of organized employers and labor work with the government to regulate the economy. He discusses instances of this arrangement in Britain, the Netherlands, Sweden, Belgium and—of all places—Yugoslavia, which having broken out of the orbit of the Soviet Union has reorganized its economy on the basis of the principle that "the state is the enemy of socialism."

Not a profound work, this book is intended for the general reader. Its chief value lies in the warning it sounds: because past extensions of state control over the economy have been, on balance, good, we should not

assume that an indefinite further extension will likewise be good; let us proceed with caution.

Hoover's inability to prescribe a sure defense against the danger is not surprising; the problem is intrinsically difficult. The potentialities he sees in the *condominium* (a device obviously similar to the papal "vocational group") are probably there but they are not likely to be realized extensively in the near future. We will do well to use whatever additional means we can find to bulwark individual liberty. One such means might be the *condominium's* sister device, the advisory council. Less ambitious than the *condominium* but for that reason more practicable, the advisory council has been found to give the governed an effective share in the processes of government and thus protect the liberty of the governed.

JOSEPH M. BECKER, S.J.

#### AND GOD MADE MAN AND WOMAN.

By Lucius F. Cervantes, S.J. Regnery, Chicago. 275 pp. \$4

Spurred on by the desire to correct three types of ignorance—of parental taboo, of the sexual outlet theory, and of the monosexual interpretation of man and woman—Father Cervantes has packed a world of facts into this very readable and valuable volume.

Well documented chapters discuss the characteristic qualities of the sexes and their differences—physical, emotional, psychological and religious.

In the sphere of the physical, there are two conclusions: the male is "the predominant sex in the physical world" and "the glory of woman lies in her motherhood." Of course, life is not quite that simple; the consequences on the interpersonal level are tempered by cultural influences and individual differences.

Consequences in the institutional level are summarized in one word—monogamy. Just as science finds that there is an essential relation between sex and progeny, so it also finds an essential relation between progeny and monogamy. Father Cervantes peppers this fare with those delightful expressions that keep the reader reading. Thus, the materialists' tendency to sneer at the reproduction theory of sex makes that theory appear to be "some

kind of a monstrous canard foisted upon a scientifically somnolent society by culturally-compulsive, taboo-ridden antediluvians."

The general conclusion is again given in one word—complementarity. "Love is initiated, patterned, and corroborated by the impulses clustering about the differences of the sexes."

If there is one thing this book establishes, it is that the controversy about sex differences is not yet ended. Those who lean to the "natural" explanation, will cheer; those who lean to the cultural, will find much to shoot at—if they still have any ammunition left.

Perhaps the greatest gainers will be the ordinary men and women who will read an interesting and helpful book, written within a sound framework and filled with helpful suggestions for happy married life.

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**OUR PUBLIC LIFE.** By Paul Weiss.  
Indiana University Press, Bloomington,  
Ind. 256 pp. \$4.50

The author of this book is a distinguished professor of philosophy at Yale University. Portions of the book were given as lectures at Indiana University in 1958. In content it is a systematic speculative account of the nature and need for such groups as society, state, culture, and civilization. Professor Weiss recognizes the difficulty of analyzing such concepts in an abstract way and freely acknowledges that only the practical wisdom culled from long experience in active public life seems worthy of our attention. Yet he feels justified in his effort on the grounds that such important subjects can profit from an account which deals with central issues in the light of first principles.

Professor Weiss' metaphysical approach to public life does not make for easy going. Nor does he supply the reader with concrete examples. But the total impression is of a political philosophy quite in harmony with the Judeo-Christian tradition. He clearly holds to the natural law, insisting that the state ought to act as a sovereign in the light of its dictates and he constantly emphasizes man's native rights which can be limited for the common good but which in essence are inalienable. Stress, too, is put upon the need for positive law with real

sanctions if the common good is to be secured, a theory which, as he suggests, is not in high favor with some historians and sociologists.

An ideal society breaks down into four classes, according to Professor Weiss. These are: 1. the empowered class controlling the energies of all; 2. the class of reasonable men to whom others appeal for guidance; 3. the prestigious class who urge values cherished but not necessarily followed, and 4. the productive class upon which others depend for material things. From all of this comes a blended whole, the nature of society being an interlocked group of men acting harmoniously for mutual benefit.

At the end the author speaks in more specific terms when he concerns himself with the desirability of a single Civilization. Recognizing that the United Nations is confused in principle and ineffective in practice, he believes, nevertheless, that it represents the greatest advance ever made toward the achievement of a world state and that consequently we are closer than ever to the time when Civilization will be a reality.

One can certainly concur with Professor Weiss' thesis that real peace will come only when the individual states live up to the requirements of a relevant natural law. While this appears to be a distant day, it is encouraging to find political philosophers reminding us of this essential condition.

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**THE GREAT FARM PROBLEM.** By William H. Peterson. Regnery, Chicago. xix, 235 pp. \$5

The reader of this book is tipped off as to the type of argument to expect even before he gets to the table of contents. It is dedicated to Ludwig von Mises, Philip Cortney, Lawrence Fertig, and Henry Hazlitt—all rock-ribbed laissez-faire economists. The title of the prologue—"The Vanishing Farmer of Grant Wood"—confirms this expectation.

The argument of the entire book is outlined in Chapter One, and can be summarized in two sentences: "The farm problem is, in a word, intervention. The farm problem is political and could be labelled 'made in Washington'; the problem lies

in the politics enmeshing the farmer, his prices, his surpluses."

In Chapters Two to Six the author gives a brief history of agricultural policy since colonial times and describes how the federal government became involved in tinkering with the market mechanism, particularly since the days of the Federal Farm Board (1929). No matter which party was (or is) in power, it is a gruesome story of expediency, cross-purposes and mismanagement.

Chapter Seven, which is entitled "Analysis" and comprises almost one third of the book points out the futility of the interventionism we have enjoyed for the past 30 years; moreover, it seeks to demonstrate the unworkability of interventionism of all kinds. The author's solution is drastic: the abandonment "with all deliberate speed"—say over a four year period—of all price supports, commodity loans, conservation payments," etc.

The main criticism to be advanced against this book is its lack of realism—a failure to recognize the peculiar conditions surrounding farming in virtue of which the free play of economic forces brings about adjustment only at the expense of untold human suffering and injury to human and natural resources. Most farm products are produced by several hundred thousand or more farmers, each one of whom is powerless to affect supply or price. The only way in which the individual farmer can improve his position is by adopting new methods and constantly increasing output per unit of input. Periods of rising prices are therefore times of rapid technological advance and increasing total output; when prices fall, however, the advance merely slows down—it is not reversed.

There are further complications on the demand side. While the nature of farming impels farmers to expand output almost continually (by over 50 per cent since 1939), demand for food is limited by the notorious inelasticity of the human stomach. Per capita consumption has changed very little since the 1930s, so that any increase in demand must come from increases in population or changes in diet. Total demand for food therefore increases slowly and steadily, while supply increases by fits and starts but, once increased, never cuts back.

In a gaily theoretic mood, one can speak of letting prices fall until they clear the market ("the cure for ten-cent cotton is ten-cent cotton"), but in the face of such highly inelastic demand and supply, price could fall and remain near zero for years, as economic forces slowly ground out their adjustments. Such highly inelastic demand and supply, in combination with atomistic competition, give rise to a situation which simply cries out for government intervention. The only realistic question to ask is: What kind? The book would have been complete with a chapter describing types of intervention which work along with economic forces rather than against them.

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#### ETHICS AND THE SOCIAL SCIENCES.

Edited by Leo R. Ward, C.S.C. University of Notre Dame Press, Notre Dame, Indiana, xi, 127 pp. \$3.25

This volume is a collection of six papers prepared for conferences held at Notre Dame in the fall of 1957 on the relationship of ethics and the social sciences.

Although the following division is not formally indicated in the book, the subject is treated from three points of view: from the subjective viewpoint of the social scientists as influenced by various value systems actually (though sometimes implicitly) held; from the objective viewpoint of the relationship of ethics and the social sciences in themselves; and from the "research" point of view, in an account of the activity of the Institute of Ethics and Politics at Wesleyan University investigating the impact of theological conviction on public policy making.

A book of this type, as a whole, necessarily suffers from a lack of progressive development of thought. As the editor notes in his preface, "It is difficult to bring the thought of several or many persons to a fine point of unity"—a difficulty which increases when, as in the present case, that thought is presented principally as a foundation for discussion.

Such discussion would undoubtedly further clarify the philosophical position held by the several contributors. And this clarification is needed.

Professor Kenneth Boulding, for instance,



in his article, "The Knowledge of Value and the Value of Knowledge," quite definitely holds an empiricist philosophy and a corresponding theory of knowledge, and he attempts to apply this epistemological theory to the field of ethics in the formation of the "value image." It is true that he says, "I do not presume in this essay to inquire into the ultimates and absolutes"; and yet he states: "It is a leap of faith, of course, from this proposition" (knowledge of value is not a different kind of thing from knowledge of fact) "to the proposition that the knowledge of values is knowledge of a real, objective world, and that values can be true or false in the sense of correspondence to some outside reality." This last statement seems to deal very explicitly with "ultimates."

On the positive side, Professor Herbert Johnson, in his contribution, does an effective job of relating ethics and the social sciences by applying to them, with care and precision, the distinction of speculative and practical knowledge as found in St. Thomas. Within this pattern he is able to point out with clarity the essential mutual dependence of moral and social sciences in the formation of policy decisions and prudential judgments.

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**STABILITY AND PROGRESS IN THE  
WORLD ECONOMY.** Edited by D. C.  
Hague. Macmillan, London, 266 pp. \$5

This book brings together papers delivered by five distinguished economists at the International Economic Congress held at Rome in 1956. The general theme was growth with stability—in the richer countries (Sir Dennis Robertson), in the poorer countries (Jacob Viner), *real* factors (Francois Perroux), *monetary* factors (Gottfried Haberler), implications for international economic stability (Erik Lundberg). Inevitably, there is considerable overlapping. The miracle is that the five speakers succeeded so well in adhering to their division of labor.

There is little here that one will not have read elsewhere from the distinguished authors. Indeed the book's outstanding value may lie in the copious discussion

which follows each essay. For every hue of economic opinion from liberal-classic to Soviet planified state capitalism is represented. Several Soviet and satellite economists spoke. Listening to economists from India, Africa, Latin America and the Middle East, one discovered that unmitigated Keynesianism does not reign unchallenged throughout the underdeveloped regions of the world.

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**PRESIDENTIAL POWER, *The Politics of Leadership*.** By Richard E. Neustadt.  
Wiley, New York. xiii, 224 pp. \$4.50

The presidency, it seems, and with reason, is an inexhaustible fount of inspiration for authors. Recent years have seen an almost endless flow of books on all facets of the institution and of the men who have borne the burdens of that leadership. And with it all we never seem to know enough about the office or the men.

Dr. Neustadt, Associate Professor of Government at Columbia University, has given us another look from still another angle. His study is almost journalistic in its approach with the result that the broad appeal of the book may well be of the moment. In his analysis of the potential involved in the office of "the Chief" he has chosen our two most recent Presidents as his primary laboratory specimens, although he does bring in others on occasion, notably Franklin Roosevelt. Professor Neustadt is hardly enthusiastic over Mr. Eisenhower's use of the office. He approves much more of the way Mr. Truman conducted things and, in the rather infrequent references to FDR, it is obvious that the author regards him as the epitome of just about all that a President should be.

Neustadt emphasizes the use of Presidential power and the incumbent's personal influence, all of which he brackets with temperament. The closing paragraph of the book is worthy of repetition. "Before he reached the White House Woodrow Wilson once remarked: 'Men of ordinary physique and discretion cannot be Presidents and live, if the strain be not somehow relieved. We shall be obliged always to be picking our chief magistrates from among wise and

prudent athletes—a small class.' In the perspective of this book his formula needs some revision. The strain is vastly greater now, with no relief in sight. If we want Presidents alive and fully useful, we shall have to pick them from among experienced politicians of extraordinary temperament—an even smaller class."

The author uses a variation of the case method in presenting his thesis and the treatment of these cases, e.g. Truman's seizure of the steel mills, MacArthur's dismissal and Eisenhower's intervention at Little Rock, are told in a most interesting fashion. Indeed, the brevity of the book and its readability should recommend it to a large audience. The book is well documented with notes found in the rear, in today's fashion, where they may easily escape the reader. However, the contents of these notes are so worth-while that even the casual reader will be well-advised not to miss them.

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**THE FEDERAL GOVERNMENT AND METROPOLITAN AREAS.** By Robert H. Connery and Richard H. Leach. Harvard University Press, Cambridge, Mass. x, 275 pp. \$4.75

Does the ultimate answer to the problem of metropolitan government lie in the realm of federal-urban relations? The authors of the present volume believe that it does. Pointing to the repeated failures of reorganization proposals in many of the nation's metropolitan areas and the continued refusal of state governments to play a more active role in urban centers, they conclude that only the federal government can provide the necessary initiative for action. In their words, "the problems are too grave and the risk too great to wait any longer. The urgent need today is for action growing out of bold and creative thinking across the broad front of metropolitan area problems. The sheer force of population growth will force some sort of solution. It is up to Washington to assure the nation that the solution finally adopted will be the wisest and best for the long-term welfare and security of the nation as a whole."

The growth of metropolitan complexes and the shift of population into urban centers has created a national problem that is of concern to the federal government as well

as to state and local units. Its solution, without question, demands cooperation among all levels of government. As the authors note, the extent of the federal government's commitment in metropolitan areas today is clear proof that the states and local communities alone have not been able to cope effectively with our most serious domestic challenge.

The present study gives a brief but informative review of the federal programs that are now operating in urban areas such as public housing, highways, urban renewal, airports, and civil defense. It devotes some attention to the impact that these activities have in local areas, although it admits that lack of adequate data precludes any definitive analysis. The study is highly critical of what it refers to as the partial and uncoordinated attack on urban problems that is represented by existing federal programs. Observing that metropolitan area problems, in contrast to rural needs, have been on the periphery of congressional interest, it assigns a considerable share of the blame for this condition to the executive branch. It argues persuasively that the failure of recent Presidents to show any appreciable concern with government in metropolitan areas has militated against effective action. "Lacking Presidential leadership, Congress has been slow to appreciate the magnitude of the problem. Consequently, it has not given a high priority to considering ways in which the federal government could aid in solving it."

In presenting their case for federal leadership in metropolitan problems, Connery and Leach make several suggestions as to how the national government can become a more effective force in this important field. They are cool to the idea of a cabinet department of urban affairs ("to create such a department would be to create an organizational misfit") such as many large city representatives and metropolitan experts have urged. Instead, they propose the establishment of a Council on Metropolitan Areas modelled on the Council of Economic Advisers. Located in the executive office of the President, such a council would be concerned with data collection and analysis. While it would have no direct responsibility for coordinating federal programs relating to urban areas, it would have power to make recommendations to the President.

The latter in turn would be required to submit annual reports to the Congress on metropolitan problems just as he now does on the economic state of the nation. In this way public attention would be focused on these problems and support presumably mobilized for their solution.

Primary responsibility for solving the metropolitan area problem rests, in final analysis, with the states and their local subdivisions; and it is likely to remain with them for a long time. Yet the federal government cannot be indifferent to the fate of almost two-thirds of the nation's population now living in metropolitan areas. What its proper role in urban affairs should be within our constitutional framework has yet to be determined. The present volume directs timely attention to this important question. If it does nothing else but stimulate thinking and discussion along these lines, it will have served a useful purpose.

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**THIS LITTLE BAND OF PROPHETS: The British Fabians.** By Anne Freemantle. New American Library (Mentor Book). New York, 320 pp. 75c

The Fabian socialists, organized in 1884, were never a large group but they included such brilliant writers as G. B. Shaw and H. G. Wells, such patient research workers as Sidney and Beatrice Webb and such dedicated politicians as Clement Attlee and Ramsay MacDonald. Bertrand Russell, G.D.H. Cole, R. H. Tawney, Annie Besant, and Harold Laski are other prominent Fabians. This group of publicists adopted the strategy of permeation and of gradualness, with the ultimate aim of state ownership of all productive enterprise. The so-called Welfare State of the Post-war Labourites is generally held to be the fruit of their labor.

Anne Freemantle tells the story of the Fabian society from its organization in 1884 until the present. It is a gossip story, many pages telling what who said about whom. This perhaps catches the Fabian spirit of Shaw, Wells, Margaret Cole and others but it takes up much space that could be devoted to a more thorough analysis of Fabian thought and tactics

and a better demonstration (rather than assumption) of their influence outside their own circle. Despite this shortcoming, this is the most complete and most intimate account we have of the Fabians. The author has combed all their writings and corresponded with many Fabians whom she knows personally.

The story is supplemented by several valuable appendices: the Fabian constitution and amended rules; a complete list of Fabian publications through 1958; and a 22 page biographical index of practically everyone mentioned in the book.

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**THE SOCIAL WELFARE FORUM, 1959.** *Official Proceedings, Columbia University Press, New York.* xiv, 276 pp. \$2.50

In 1959, the annual forum was held in San Francisco and as always it brought together many allied groups interested in the health and welfare of people. The papers selected for publication from hundreds which were read at the forum concern themselves primarily with the health of the American people. There are obvious reasons for this. First of all, there has been tremendous progress in the area of welfare provisions. While economic security is only one index of welfare, it is worth noting that by 1958, as was told by Dr. Ida Merriam, 60 per cent of the American people over 65 years of age were drawing insurance benefits from the program of OASDI. All of this has happened in the short span of 25 years since the Social Security Act was passed. Physical and mental illness, however, which are a heavy drain on the resources of the aged in particular, are not adequately provided for. There are, to begin with, no sufficiency of facilities for the care of the aged and no securely established provisions for health. Those who need it most are generally not covered by voluntary plans. But the future looks brighter and it is doubtful that the AMA or any other group can long postpone the day of a federal insurance health plan.

Brought into perspective by another interesting paper is the question of public funds for voluntary agencies. Dr. Arlien Johnson points up the need of a more clearly defined public policy. There is at present

considerable variation in different parts of the country. It can be safely stated that the understanding between public and private social agencies is far better than that between educational institutions under public and private auspices. But there are many unresolved problems. The debate goes on in a calmer atmosphere, however, and for that reason it is likely that the issue will receive reasonable consideration by those who have the unenviable position of defining and establishing public policy.

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**ASIA LOOKS AT WESTERN CHRISTIANITY.** By Thomas Ohm. Herder and Herder. Freiburg, West Germany. xviii, 256 pp. \$4.75

Western Christianity, in this book, is all the Western churches which call themselves Christian. A sincere, painstaking effort is made by the author to show the reaction of Asia to these churches.

This book is a collection of quotations from the writing of Asians—Indians, Japanese, Chinese, Koreans, Malays, to mention but a few—about their understanding of the Western World, for the West can be said, in a very general way, to be Christian.

These Asian observations are grouped under the following headings: concerning the Christian religion, the churches and church organization, Christian teaching, forms of devotion, moral and social attitudes, customs and usages, religious art and the Christian missions.

From many Asians comes this criticism: "The Christian nations are not really Christian. They do not know Christ." Asians point out the West's almost fanatical adherence to European philosophical and theological concepts and terminology, and to certain cultural practices. These are but the external trappings of Christianity. The West is afraid to try and express Christianity through the philosophies and culture of Asia. This is an indication that the West does not really know Christ. If the Christian nations really understood Christ, they would realize the inadequacies of their concepts and cultural practices to give expression to Christ. The Christian nations seem to know only the historical Christ. They are concerned with historical facts

and events. They do not seem to know the Christ Who lives today. How unlike this is to the followers of Buddha, who have no biography of their great leader. But instead they emphasize the spirit of Buddha and try to make that spirit their own. If the Christian nations knew the living Christ they would know how to give expression to Him through the philosophies and cultures of Asia.

This is a valid criticism. Father Ohm might have devoted a little more space to it. Furthermore, he would have given a clearer indication of his attitude toward these Asian criticisms of the West if he had grouped them according to those he thinks are valid objections and those which are superficial observations. As it is, the good and the bad are thrown in together without any apparent order.

Perhaps Father Ohm's purpose in doing this is to show the inscrutability of the Asian. If this is his purpose, then he succeeds very well. He certainly shows the difficulties that face the missionary who brings Christianity, not to an ignorant, uneducated people, but to a complexity of peoples who have their own unique set of value judgments.

In the preface, Archbishop T. D. Roberts, S.J., formerly Archbishop of Bombay, recommends this book as a contribution to missiology.

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**SOCIOLOGICAL THEORY AND MENTAL DISORDER.** By H. Warren Dunham. Wayne State University Press, Detroit, Mich. 298 pp. \$5.50

Social psychiatry, a multi-disciplinary approach to the prevention as well as the diagnosis and treatment of emotional disorders, is the latest child in the psychiatric field. Any discipline interested in giving its particular point of view on etiology, prevention, or treatment of emotional illnesses is invited to this common table. Dr. H. Warren Dunham, professor of Sociology at Wayne University and consulting Sociologist at Lafayette Clinic, discusses in his book the relevance of sociological theory to the study of mental disorders in our society. Most of the material has previously been presented in various American and British Journals during the past 20 years

but a constant demand for its reiteration has resulted in the present book. Three additional studies are presented here for the first time.

Dr. Dunham feels it necessary to emphasize that he regards none of the generalizations recorded as being definitive; he rather thinks of them as tentative gropings in an attempt to clarify any relationships that may exist between cultural and structural aspects of society on the one hand and certain mental and emotional disturbances of man on the other. On the empirical research level he considers his studies as restricted efforts to make a contribution to three central problems in this field: 1. Does the incidence of mental disorder and its various types show any significant variations by social class, ecological space or time periods in a given society? 2. Can any relationship be established between the type of pre-morbid personality structure and the kind of mental disturbance or mental symptoms that a person develops? 3. Is the cultural organization of society primarily selective or causative with respect to the differential incidence of mental disorder within a given human society or between different human societies? Dr. Dunham is primarily concerned with the functional mental disorders, particularly schizophrenia, the most prevalent mental disorder of our time. The basic difficulty of a clear definition of schizophrenia makes his task particularly onerous. He also examines the development of social psychiatry, its present problems and its prospects for the future.

The book represents a contribution to the young field of social psychiatry and should serve as a stimulus to further sociological inquiry in the mental health field.

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**CANADA. A Modern History.** By J. Bartlett Brebner. University of Michigan Press, Ann Arbor. xvii, 554 pp. \$10

This book is part of the 15-volume University of Michigan *History of the Modern World*. The author, born in Canada, later an American citizen, has spent 30 years as a professor at Columbia University. The Preface notes that this volume "has been written chiefly in the hope that it might

interest and inform non-Canadians," and Canadian readers, also, who "may be curious enough about what their country's history looks like from the outside. . . ."

Well written, the book reads easily and sustains the reader's interest. The history of Canada is in reality the concurrent history of three countries: Canada, the United States and Great Britain. The most surprising fact is without doubt that there still exists a country named Canada: "Perhaps the most striking thing about Canada is that it is not part of the United States." In fact the United States did try, and twice, to seize Canada; moreover, Great Britain, a few times, showed itself inclined to sacrifice Canadian interests to maintain its good relations with the Americans. After the Civil War in the United States, the question was raised of requiring Great Britain, who had furnished a massive aid to the South, to yield her rights to Canada in settlement. "The Taylor Bill of July 2, 1866, even laid down the procedure" of the entrance of Canada into the American Union. But Great Britain did not want to decide alone the fate of Canada; the report of Hamilton Fish to President Grant tells us that "Great Britain is quite willing to part with Canada when the latter requests it, but will not cede it, in any negotiations, as a satisfaction for any claim."

Professor Brebner does attribute a large place in his work to the role played by the French Canadians from the first beginnings of the nation to our own day. Generally he strikes the right note, except when he deals with the nationalist movement. On this point, he seems to be repeating assertions which he would find impossible to establish; for example, is it proper for a scholar to affirm that the Abbé Lionel Groulx was "much influenced by Comte de Gobineau's racism?" If Professor Brebner had read the works of the Abbé Groulx, instead of just repeating what Mason Wade asserted in his book *The French Canadians*, he would surely have used expressions less romantic and more scientific.

In spite of such weaknesses, this volume does afford a good general over-all view of the whole history of Canada and clearly shows in what ways "Canada is an extraordinary country."

RICHARD ARES, S.J.  
Relations  
Montreal, Canada.

SOCIAL ORDER



**FAMILY PLANNING, STERILITY AND POPULATION GROWTH.** By Ronald Freedman, Pascal K. Whelpton, and Arthur A. Campbell. McGraw-Hill, New York. xi, 515 pp. \$9.50

Based on interviews with some 2,700 married white women under 40 who constitute a representative sample of the major social, religious and economic strata in our society, this highly important study offers the most complete information to date on the attitudes of American couples toward different types of family limitation, the extent to which they have used various methods, and the degree to which their plans have been thwarted or realized by sterility or ineffective planning.

Among the most interesting findings of the study are: most couples want families of two to four children; roughly ten per cent are currently sterile; the great majority of fecund couples have used some method of family limitation; social, economic, and religious characteristics affect the extent and patterns of family planning; many more Catholics used only rhythm than was the case for others, though 30

per cent of all Catholics had used methods unacceptable to the Church, and 50 per cent of the fecund Catholic couples married at least ten years have used a method other than rhythm.

In the concluding chapters the authors attempt to forecast future trends in fertility on the basis of the information they collected about expected size of completed families. Although their estimates for the immediate future, at least, appear highly reasonable, the widespread use of family planning suggests that the birth rate may increasingly vary in relation to social and economic changes; these latter are not easy to predict.

Because modifications in the reproductive characteristics of a population have profound social, economic, political, and moral implications, this study deserves the serious consideration of all thinking Americans. To be sure, there remain many gaps in our knowledge but we can now begin to see the broad dimensions of present trends.

JOHN L. THOMAS, S.J.

## Letters

### "Police-Community Relations"

The article, "Police-Community Relations" by Louis A. Radelet, which was published in your May issue, is an authoritative and definitive statement of the Police-Community Relations movement. The National Conference of Christians and Jews, which Mr. Radelet serves with distinction, has made a vital contribution to this development.

The importance of the police role in helping to ease community tensions cannot be denied. The necessity of cooperation by community agencies with the police toward this end is clearly evident. Mr. Radelet reminds us, however, that there are certain preconditions to this cooperation. The first is an understanding of the nature of the problem of interpersonal and intergroup relations. The second is an awareness of our professional preconceptions (a kinder word than prejudice). The third is the de-

velopment of the knowledge and skills necessary to further the process of cooperation for community well-being.

One thing needs to be underlined. We tend to express these concepts in negative terms—to see only difficulties. These problems are symptoms and danger signs that should awaken the community to action. But the concern should not end with the alleviation of distress or difficulty. The aim should be the restoration of community, the development and maintenance of those interpersonal relations and social institutions that will provide the climate for and the means of fulfilling human hopes for satisfaction and significance.

This process is not automatic but requires the commitment of concerned men. This commitment is consistent with the religious convictions and ideals of those who work with the National Conference of Christians and Jews and of all men who seek to ex-

press their obedience to their Creator by love of and service to His creatures.

ROBERT H. SCOTT

Assistant Director

In Charge of Youth Division

Department of Corrections

State of Michigan

Lansing, Mich.

### **"American Catholics and International Life"**

In "American Catholics and International Life" (SOCIAL ORDER, June issue) Professor Thomas O'Dea says that the Foreign Policy Association is "pre-eminent" as an organization concerned with foreign affairs discussion and education.

In *Our Sunday Visitor* of June 5, 1960 Father Ginder in his editorial questions the Foreign Policy Association as suitably fitted for an impartial discussion of foreign affairs.

Since I am interested in affairs foreign, I would like this point clarified.

FRANK LUBIC

Wheeling, West Virginia

*I think that the most direct—and the fairest—answer to the question raised is to report that Father Ginder's bishop, the Most Reverend John Wright, is a member of the Board of Directors of the Foreign Policy Association. I think, further, that the fact that Father Ginder regularly espouses a whole series of positions in the temporal order at known variance with the views of his Ordinary demonstrates a freedom of thought and expression in the Church not sufficiently appreciated.*

*Further evidence of Catholic cooperation with the Foreign Policy Association is the Bibliography from Catholic Sources, prepared by the International Relations Commission of the National Federation of Catholic College Students at the request of the National Council of Catholic Women for use with the Foreign Policy Association's "Great Decisions 1960."*

THE EDITOR

### **Appeal**

May I herewith convey my sincerest thanks for the great help you give us in sending your so useful and beautiful magazine?

In a time when so many new and delicate, no less than difficult problems present themselves for an adequate solution, especially here in Africa where the social order is so rapidly developing, your magazine is a great and useful guide in solving those many problems which daily occur, both in theory and practice. Not only in my own name, but also on the part of the Fathers who read your practical and interesting articles, I wish to thank you very much. We need your prayers as well as your help and assure you of ours.

We are going to open a big Social Centre here at the end of the year to train future leaders in the social principles of the Church and we will need still more your help then, especially books, articles, and other literature for perusal by the students. May God bless and reward you for all you do for us.

✠ Joseph J. Blomjous

Mwanza

Tanganyika Territory

*Gift subscriptions are invited to answer other similar appeals from points of critical political tension such as Poland and from areas of rapid social change such as Asia and Africa—Ed.*

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St. Louis 8

September 11, 1959  
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3908 Westminster Place  
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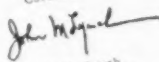
Dear Sirs:

Enclosed is money-order for \$4. Please send to above address your magazine, Social Order, for one year.

Your magazine is recommended highly by Rev. John P. Cronin, S.S. in Social Principles And Economic Life, but he gives no address. I found your address in a book on marriage, compiled or edited by Fr. Kelley and endorsed by Cardinal Spellman.

I read many Catholic periodicals but have never seen any ads about your magazine. Don't you ever advertise it or have I been oblivious of your ads?

Cordially,



John M. Lynch

P.S. George M. Cohan once had a play entitled "It Pays to Advertise."

SOCIAL ORDER

3908 WESTMINSTER PLACE

ST. LOUIS 8, MO.

September 13, 1959

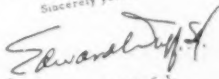
Dear Mr. Lynch:

There are several ways of answering your note of September 11th. I could claim that SOCIAL ORDER has a very restricted circulation, that we accept new subscribers only on nomination of friends and on payment through the Diners' club.

I could say that, confident that we have the better mousetrap, we are calmly waiting for the world to beat its way to our door. So sure are we of the uniqueness and value of our product that we consider advertising vulgar exhibitionism.

The flat fact of the matter, however, is that the editor is the solitary sandhog in this editorial tunnel and has small time to interest himself in promotion. SOCIAL ORDER is, therefore, dependent upon the word of mouth advertising it gets from devoted friends for its growth in circulation and influence. I hope you will be one of those friends.

Sincerely yours,



Edward Duff, S.J.



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**ECONOMICS vs HISTORY**

Raymond F. X. Schill